

August 11, 2005

Ms. Claudia Nissley
State Historic Preservation Officer
Wyoming State Historic Preservation Office
Department of State Parks & Cultural Resources
2301 Central Avenue, Barrett Building, 3rd Floor
Cheyenne, Wyoming 82002

SUBJECT: INITIATION OF SECTION 106 PROCESS FOR REYNOLDS RANCH
AMENDMENT REQUEST

Dear Ms. Nissley:

By letter dated January 14, 2005, Power Resources Inc. (PRI) requested U.S. Nuclear Regulatory Commission (NRC) approval for the addition of the Reynolds Ranch area to PRI's operational area for the Smith Ranch/Highlands Uranium Project (SR/HUP) in-situ leach uranium mining facility in Converse County, Wyoming.

The SR/HUP facility is located approximately 22 road miles northeast of Glenrock, Wyoming and approximately 25 road miles northwest of Douglas, Wyoming, along Ross Road. The Reynolds Ranch area, which is contiguous with the northern boundaries of the SR/HUP facility, would encompass all or portions of the following sections:

<u>Township</u>	<u>Range</u>	<u>Sections</u>
T 36 N	R 73 W	5, 6, 7, 17, and 18
T 36 N	R 74 W	1, 2, 11, 12, 13, and 14
T 37 N	R 73 W	30, 31, and 32
T 37 N	R 74 W	25, 26, 34, 35, and 36

A map showing the boundaries of the Reynolds Ranch area is enclosed.

In-situ leach mining involves injecting a carbonate/bicarbonate leaching solution and oxidant into a subsurface uranium ore body to dissolve the uranium and then pumping the uranium-bearing solution to the surface for further processing to remove and concentrate the uranium. Surface-disturbing activities associated with the proposed mining in the Reynolds Ranch area would involve (1) the laying five feet below the ground surface of pipelines to carry the leaching solution and the uranium-bearing solution; (2) the drilling of multiple injection, production, and monitor wells; and (3) the construction of access roads as needed. In addition, PRI is proposing to construct within the Reynolds Ranch area a 13,000 ft² satellite building to house injection pumps, water treatment equipment, ion exchange columns for removing uranium from the solution, a small laboratory, and an employee break room.

As required by 36 CFR 800.4(a), the NRC is requesting the views of the State Historical Preservation Officer on further actions to identify cultural and historic properties that may be affected by the NRC's review of the proposed action (i.e., the addition of the Reynolds Ranch area to the SR/HUP operational area). In addition to the results of Class III cultural resource

C. Nissley

- 2 -

surveys conducted in 1997 and provided as supporting information to PRI's application, any information you provide will be used to document effects in accordance with 36 CFR 800.8(d).

After assessing the information provided by you, the NRC staff will determine what additional actions are necessary to comply with the Section 106 consultation process.

If you have any questions concerning this matter, please contact Mr. James Park of my staff by phone at (301) 415-5835 or by email at jrp@nrc.gov.

Sincerely,

/RA/

Scott C. Flanders, Deputy Director
Environmental and Performance
Assessment Directorate
Division of Waste Management
and Environmental Protection
Office of Nuclear Material Safety
and Safeguards

Enclosure: As stated

cc: W.F. Kearney, PRI

Docket No.: 40-8964

C. Nissley

- 2 -

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This document **should** be made available to the public.

JRP
(initials)

8/9/05
(date)

Reynolds Ranch Amendment Area
(approximately 56 km NE of Casper, Wyoming)

