UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, ILLINOIS 60532-4352

MAY 25 2006

Donald Shemonic
Radiation Safety Officer
Vigo Coal Company, Inc.
528 Main Street, Suite 202
Evansville, IN 47708

Dear Mr. Shemonic:

Enclosed is Amendment No. 1 to your NRC Material License No. 13-32559-01 in accordance with your request. Please note that the changes made to your license are printed in **bold** font.

Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region III office at (630) 829-9887 so that we can provide appropriate corrections and answers.

Please note, we have removed the license condition regarding decommissioning financial assurance because we have limited the amount of radioactive materials you may possess (see Item 8).

Please be advised that your license expires at the end of the day, in the month, and year stated in the license. Unless your license has been terminated, you must conduct your program involving byproduct materials in accordance with the conditions of your NRC license, representations made in your license application, and NRC regulations. In particular, note that you must:

1. Operate in accordance with NRC regulations 10 CFR Part 19, "Notices, Instructions and Reports to Workers; Inspections," 10 CFR Part 20, "Standards for Protection Against Radiation," and other applicable regulations.

2. Notify NRC, in writing, within 30 days:

   a. When the Radiation Safety Officer permanently discontinues performance of duties under the license or has a name change; or

   b. When the mailing address listed on the license changes.

3. In accordance with 10 CFR 30.36(d) and/or license condition, notify NRC, promptly, in *writing, and request termination of the license:*

   a. When you decide to terminate all activities involving materials authorized under the license; or

   b. If you decide not to complete the facility, acquire equipment, or possess and use authorized material.

4. Request and obtain a license amendment before you:

a. Change Radiation Safety Officers;

b. Order byproduct material in excess of the amount, or radionuclide, or form different than authorized on the license;

c. Add or change the areas of use or address or addresses of use identified in the license application or on the license; or

d. Change ownership of your organization.

5. Submit a complete renewal application or termination request at least 30 days before the expiration date of your license. You will receive a reminder notice approximately 90 days before the expiration date. Possession of byproduct material after your license expires is a violation of NRC regulations. A license will not normally be renewed, except on a case-by-case basis, in instances where licensed material has never been possessed or used.

In addition, please note that NRC Form 313 requires the applicant, by his/her signature, to verify that the applicant understands that all statements contained in the application are true and correct to the best of the applicant's knowledge. The signatory for the application should be the licensee or certifying official rather than a consultant.

You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions. Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be 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). The NRC's document system is accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html (the Public Electronic Reading Room).

Sincerely,

William P. Reichhold

William P. Reichhold
Materials Licensing Branch

License No. 13-32559-01
Docket No. 030-36884

Enclosure: Amendment No. 1