

August 7, 2006

Mr. John McCarthy
Power Resources, Inc.
Smith Ranch-Highland Uranium Project
P.O. Box 1210
Glenrock, WY 82637

SUBJECT: ACCEPTANCE REVIEW OF NORTH BUTTE SATELLITE ISL OPERATIONS
AND RECLAMATION PLAN - SOURCE MATERIALS LICENSE SUA-1548 (TAC
LU0133)

Dear Mr. McCarthy:

I am responding to your letter dated July 5, 2006, concerning your submittal of Power Resource Inc.'s North Butte *In Situ Leach* (ISL) Satellite Operations and Reclamation Plan (the Plan). The U.S. Nuclear Regulatory Commission staff has completed the initial processing of the Plan, which is an administrative (i.e., acceptance) review for completeness.

During the initial processing, some omissions/deficiencies were identified. These deficiencies are as noted:

1. A legend for Figure 6.2 (Volume II - Site Plan Layout) that indicates the relationship between symbols and colors and the physical features they represent were not included in the Plan.
2. A map of the exclusion area boundaries and fences were not included in the Plan (NUREG-1569, page 2-2, item 3).
3. Figure 2.4 (Volume II - Grazing and Surface Use Leaseholds) of the Plan is incorrectly labeled as Figure 2.2.
4. The quality of Figure 10.6 (Volume II - Surface Drainage Map) of the Plan is poor.
5. The location of any other Nuclear Fuel Cycle Facilities located or proposed within a 50-mile radius of the North Butte ISL Satellite was not included in the Plan (NUREG-1569, page 2-5, item 1g).
6. A figure of suitable scale with population centers within a 50-mile radius of the North Butte ISL Satellite was not provided in the Plan (NUREG-1569, page 2-8, item 2).
7. Figures 2-2 and 2-3 (Volume I-A) of the Plan do not indicate the source (e.g., agency, technical report, etc.) where the information was obtained.
8. Chapter 5 (Volume I-A, page 5-4) of the Plan refers to Tables 4-1 and 5-1; however, these tables do not appear to be included in the Plan.

9. The mechanism(s) for funding the financial surety (i.e., Letters of Credit, surety bond, etc.) is not identified in the Plan (NUREG-1569, page 6-25, item 6).

Please provide the identified information within 30 days of the date of this letter so that the more detailed technical review of the Plan can proceed in a timely manner. Additionally, the technical review may identify omissions in the submitted information or technical issues not identified during the administrative review that require additional information.

If you have any questions, please feel free to contact me at (301) 415-7612, or by e-mail to pxm2@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/ Bill VonTill for

Paul Michalak
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 40-8964
License No.: SUA-1548

- 9. The mechanism(s) for funding the financial surety (i.e., Letters of Credit, surety bond, etc.) is not identified in the Plan (NUREG-1569, page 6-25, item 6).

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/RA/ Bill VonTill for

Paul Michalak
 Fuel Cycle Facilities Branch
 Division of Fuel Cycle Safety
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 Office of Nuclear Material Safety
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Docket No.: 40-8964
 License No.: SUA-1548

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