

September 14, 2006

Leland Huffman
ISL General Manager
High Plains Uranium, Inc.
1718 Capitol Avenue
Cheyenne Wyoming, 82001

SUBJECT: ACTION ITEMS 3, 4, AND 6 FROM AUGUST 22, 2006, MEETING WITH
HIGH PLAINS URANIUM, INC.

Dear Mr. Huffman:

On August 22, 2006, U. S. Nuclear Regulatory Commission (NRC) staff and representatives of High Plains Uranium, Inc. (HPU) met to discuss issues related to HPU's planned In Situ Leach (ISL) uranium recovery license application for its Allemand-Ross Project, located in the south-central portion of the Powder River Basin of Wyoming (Meeting Summary - Agencywide Documents Access and Management System (ADAMS) Accession No. ML062420070). This correspondence covers two NRC Action Items from the August 22, 2006 meeting:

Action Item 3 - Determine whether the applicant can use non-site-specific meteorological data from weather stations located within the Powder River Basin.

Action Item 4 - Determine whether the applicant can submit partial baseline data prior to its official license application and whether such a submittal would accelerate the National Environmental Policy Act (NEPA) review process.

In addition, the HPU response to its Action Item 6 (Determine whether meteorological stations referenced in its meteorological work plan meet the definition of "recognized standard installations"), is also addressed.

Action Items 3 and 6

For Action Item 3, HPU requested that NRC staff consider whether HPU could use non-site-specific meteorological data from weather stations located within the Powder River Basin. At the NRC's request (Action Item 6), HPU submitted correspondence from IML Air Science (ADAMS Accession No. ML062540037) detailing site information, instrument data, quality assurance procedures, and regulatory references to support the validity of data collected from its meteorological stations at the Antelope and Glenrock Mines, both of which are located within the Powder River Basin and are within 80-kilometers (50-miles) of the Allemand-Ross Project site. A review of meteorological station details provided by HPU indicates that the range, accuracy, and threshold values for station equipment meet or exceed system accuracy, and instrumentation specifications listed in NRC Regulatory Guide 3.63, Onsite Meteorological Measurement Program for Uranium Recovery Programs - Data Acquisition and Reporting. In addition, the Standard Operating Procedures for Meteorological Station Audit and regulatory references provided by HPU are consistent with system maintenance, servicing, and data recovery standards contained in Regulatory Guide 3.63. Based on the information provided by

HPU, the Antelope and Glenrock Mines meteorological stations meet the standards identified in Regulatory Guide 3.63 and can be recognized as “standard installations” per NUREG-1569, Standard Review Plan for In Situ Leach Uranium Extraction License Applications, Section 2.5.3, Acceptance Criteria No. 1. As such, data from the Antelope and Glenrock Mines meteorological stations may be used in place of National Weather Service Station data. However, it should be noted that it is the applicant’s responsibility to substantiate that the meteorological data used for assessing impacts is “representative of expected long-term conditions at and near the site” (NUREG-1569, Section 2.5.3, Acceptance Criteria No. 3).

Action Item 4

HPU requested that NRC staff consider whether it could submit partial baseline data prior to its official license application and whether such a submittal would accelerate the NEPA review process. Because review of partial or incomplete environmental data prior to review of a complete data set would ultimately result in more staff review effort, we discourage such submittals. In terms of promoting an efficient review of technical material and timely development of a NEPA-related environmental report, submittal of a complete, cohesively-constructed license application, using NUREG-1569 as the primary guidance, would be the most productive and effective course of action.

If you have any questions concerning these matters, please contact the NRC Project Manager for the HPU site, Paul Michalak, at (301) 415-7612, or by email, 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/

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Sincerely,
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