

November 1, 2006

Mr. T.W. Hardgrove
Pathfinder Mines Corporation
935 Pendell Boulevard
P.O. Box 730
Mills, WY 82644

SUBJECT: LICENSE AMENDMENT NO. 70, 2007 SURETY UPDATE, PATHFINDER
MINES CORPORATION, LUCKY MC SITE, SOURCE MATERIALS LICENSE
SUA-672 (TAC J00501)

Dear Mr. Hardgrove:

By letter dated September 19, 2006, Pathfinder Mines Corporation (PMC) submitted the 2007 surety estimate for its Lucky Mc site to U.S. Nuclear Regulatory Commission (NRC) staff. This surety estimate includes costs for completing license termination and to transfer the Lucky Mc site to the U.S. Department of Energy (DOE). PMC's surety submittal also includes the long-term surveillance fee, which has been adjusted using the Consumer Price Index (CPI).

PMC's license termination costs are primarily legal, surveying, and labor fees to complete the necessary tasks for license termination and to continue ground water monitoring, as required by License Condition (LC) 60. The surety amount was adjusted to account for the completion of all surface reclamation activities, as approved by NRC staff on September 27, 2006. The long-term surveillance fee was adjusted using the December 1978 CPI (67.7) and the August 2006 CPI (203.9). Based on our review of PMC's 2007 surety estimate, NRC staff approves the proposed surety of \$810,392, which is an increase of \$7,676 over the 2006 surety estimate. Enclosed is License Amendment No. 70, with LC 27 amended to indicate the new surety amount. This licensing action meets the categorical exclusion provision for surety changes in 10 CFR Part 51.22(c)(10)(i). Therefore, no further environmental review is required for this action.

In addition to amending LC 27, LC 62 has been amended to reflect organizational changes within the NRC. All correspondence related to this license shall be sent to the following address: Deputy Director, Decommissioning and Uranium Recovery Licensing Directorate, Division of Waste Management and Environmental Protection, Office of Federal and State Materials and Environmental Management Programs, Mailstop T7-E18, U.S. Nuclear Regulatory Commission, 11545 Rockville Pike, Rockville, MD 20852-2738. If you have any questions regarding this action, please contact Mr. Stephen J. Cohen, Project Manager, at 301-415-7182 or by e-mail at sjc7@nrc.gov.

T.W. Hardgrove

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In accordance with 10 CFR Part 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records 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/

Keith I. McConnell, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 040-02259
License No.: SUA-672

Enclosure:
License Amendment No.70

cc: D. Wichers, COGEMA Mining

T.W. Hardgrove

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Sincerely,

/RA/

Keith I. McConnell, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
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Docket No.: 040-02259

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