

June 26, 2007

Brian T. Kelly, Field Supervisor
U.S. Fish and Wildlife Service
Mountain-Prairie Region
Wyoming Field Office
4000 Airport Parkway
Cheyenne, WY 82001

SUBJECT: REQUEST FOR INFORMATION REGARDING ENDANGERED SPECIES AND
CRITICAL HABITAT FOR SMITH RANCH ISL SATELLITE SR-2 PROJECT

Dear Mr. Kelly:

By letter dated October 20, 2006, Power Resources, Inc. (PRI) submitted to the U.S. Nuclear Regulatory Commission (NRC) a request to construct *In Situ* Leach (ISL) Satellite SR-2 within the Smith Ranch portion of PRI's Smith Ranch - Highland Uranium Project (SR-HUP). The request was submitted per Condition 10.1.5 of Source Materials License SUA-1548. PRI's Smith Ranch is located in Converse County, approximately 28 miles northwest of Douglas, Wyoming, and about 42 miles northeast of Casper, Wyoming. The proposed ISL Satellite SR-2 project, including nearby proposed well fields (Mine Units) and support roads, encompasses all or portions of the following sections:

<u>Township</u>	<u>Range</u>	<u>Sections</u>
T 35 N	R 74 W	2, 3, 9, 10, 17, 18, and 21

A map showing the areas where ISL Satellite SR-2 activities will occur, including associated Mine Units to be supported by the ISL satellite, is enclosed (Figure 1).

ISL 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. Construction activities associated with the proposed action would involve: (1) the laying of pipelines five feet below the ground surface 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 T35N R74W a 19,000 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 (see enclosed figure). The ISL Satellite SR-2 proposal does not include the construction or operation of waste disposal or evaporation ponds.

Please provide information that you may have concerning the presence of endangered or threatened species or critical habitat in the action area. After assessing the information provided by you, the NRC staff will determine what additional actions are necessary to comply with the Section 7 consultation process.

B. Kelly

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If you have any questions concerning this matter, please contact me at (301) 415-7612 or, by email, at 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 component of the 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/

Paul Michalak, Hydrogeologist
Uranium Recovery Licensing Branch
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.: 40-8964
License No.: SUA-1548

Enclosure: ISL Satellite SR-2 Project Map

cc: J. McCarthy, PRI

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