



Uranium Energy Corp

February 22, 2008

Charles L. Miller, Director
Nuclear Regulatory Commission
Office of Federal and State Materials and
Environmental Management Programs
Mail Stop T8F3
11545 Rockville Pike
Rockville, MD 20852

RE: Notice of Intent to Submit a License Application to Construct and Operate a
Conventional Uranium Recovery Facility: Grants Ridge Project, Cibola County,
New Mexico

Dear Mr. Miller,

This letter is to notify the United States Nuclear Regulatory Commission (NRC) of Uranium Energy Corporation's (UEC's) intent to submit a license application to construct and operate a conventional uranium recovery facility at UEC's Grants Ridge Project in Cibola County, New Mexico.

The proposed uranium recovery project will involve conventional underground and surface mining and heap leach processing to produce uranium yellowcake product (U_3O_8). The heap leach operation will involve placing sized ore on double synthetically lined heap pads with leak detection systems. The fluids collected from the drains below the heaps will be processed using an ion exchange and precipitation circuit. In addition, filtering, drying and packaging will be performed at the project site, and the heaps will be reclaimed as 11.e (2) byproduct material.

The source material application will include sufficient technical information for an environmental impact statement in accordance with NRC regulations and guidance documents. Our conceptual plans were submitted to your staff on January 24, 2008 and an update will be provided during a side-bar meeting on April 24, 2008 at the Uranium Recovery Workshop in Denver, Colorado. UEC plans on submitting the aforementioned license application by mid-summer of 2009. If you need further information, please do not hesitate to contact me at (505) 830-7707 (or by email (csealy@uraniumenergy.com)) or UEC's counsel Anthony J. Thompson and Christopher S. Pugsley at (202) 496-0780. Thank you for your time and consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to be "C. Sealy", is written over a circular stamp or seal.

Curtis O. Sealy, P.E.
Vice President of Production
Uranium Energy Corporation