

RIO ALGOM MINING LLC

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505-287-8871

March 21, 2008

Charles L. Miller, Director
United States 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 Amendment Application
to Construct and Operate a Conventional Uranium Recovery
Facility at the Ambrosia Lake Facility in Grants, New Mexico

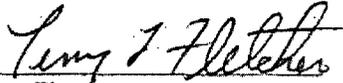
This letter notifies the United States Nuclear Regulatory Commission (NRC) of Rio Algom Mining, LLC's (RAML's), HRI-RAML Acquisition, LLC's (HRI-RAML's), which is a wholly subsidiary of Hydro Resources, Inc. (HRI), which is a wholly owned subsidiary of Uranium Resources, Inc. (URI), to submit a license amendment application to NRC License No. SUA-1473 to permit the construction and operation of a conventional uranium mill, including ion-exchange (IX) resin stripping and elution facilities, at the Ambrosia Lake site in Grants, New Mexico.

After acquiring RAML and License No. SUA-1473 this year from RAML's parent company BHP Billiton, HRI, HRI-RAML, and URI propose to amend this license to permit the construction and operation of a new, state-of-the-art conventional uranium milling facility and associated mill tailings impoundments at the Ambrosia Lake site in compliance with all NRC 10 CFR Part 40 regulations and Appendix A Criteria, as well as all other applicable regulations. In addition to being an NRC-licensed site, the Ambrosia Lake site is one of most well-understood sites with respect to surface and subsurface conditions in the United States and, at one time, served as the largest conventional uranium milling facility in the nation. As a result, RAML, HRI, HRI-RAML, and URI will be in possession of the most comprehensive site-specific analyses and information available for a proposed uranium recovery facility and, thus, will obviate the need for extensive pre-application, site-specific analysis. After the acquisition of RAML and its license, RAML, HRI-RAML, HRI, and URI plan to meet with NRC Staff to plan the proposed licensing activity and to conduct any

additional site-specific analyses necessary to submit a complete, high-quality license amendment application.

RAML, HRI-RAML, HRI, and URI plan to submit the following as part of its license amendment application, including but not limited to: (1) an environmental report in conformance with applicable NRC regulations and guidance and (2) proposed license condition language for inclusion in License No. SUA-1473. No site-specific work has been conducted at this time towards the preparation of the proposed license amendment application and will not be conducted until the completion of the sale of RAML and the Ambrosia Lake site. Currently, RAML, HRI-RAML, HRI, and URI plan to submit its proposed license amendment application on or about the 2nd quarter of 2009. Thank you for your time and consideration in this matter and please do not hesitate to contact me or our counsel, Thompson & Simmons, PLLC (Anthony J. Thompson & Christopher S. Pugsley), at (202) 496-0780 if you have any questions.

Respectfully Submitted,



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