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November 22, 2011

VIA UNITED STATE FIRST CLASS MAIL AND ELECTRONIC TRANSMISSION
United States Nuclear Regulatory Commission
Attn: Mr. Keith 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
Washington, D.C. 20555-0001

RE: Letter of Intent—License Renewal--Hydro Resources, Inc.--Crownpoint Uranium Project (CUP), State of New Mexico, NRC License Number SUA-1580

Dear Mr. McConnell:

By this letter, Hydro Resources, Inc. (HRI) hereby provides the United States Nuclear Regulatory Commission (NRC) with this letter of intent to supplement its application for renewal of its NRC combined source and 11e. (2) byproduct material license to operate its CUP project in the State of New Mexico.

By letter dated October 14, 2011, NRC Staff informed HRI that additional information in support of its request for license renewal would be required to properly evaluate such request. The letter specifically requested an environmental report (ER) to provide NRC with information regarding potentially significant incremental changes, or the lack thereof, associated with current site-specific circumstances associated at CUP.

On October 17, 2011, HRI participated in a public meeting at NRC Headquarters in which the contents of HRI's proposed license renewal application were discussed. At the conclusion of this meeting, HRI determined that a revision to its Consolidated Operations Plan (COP), Revision 2.0, as well as a new ER, should be submitted to facilitate an effective NRC safety and environmental review. As such, HRI has concluded that both documents will be provided to supplement its license renewal application.

In an attempt to provide NRC Staff with a schedule for submission of these documents, this letter of intent is also a tentative schedule for additional meetings with NRC Staff including a pre-submission audit meeting to review its documents proposed for submission, and final submission of the ER and revised COP. Based on current projections, HRI proposes to submit its update to the COP and an ER on or about July 1, 2012. In addition, HRI projects a public meeting with NRC Staff in January, 2012 to discuss items for review, which HRI hopes to schedule in mid-December. HRI anticipates a pre-submission audit meeting in mid-April of 2012 to be determined when the contents of its license renewal application are better understood.

HRI hopes to shorten this proposed schedule if at all possible and in the event that this schedule is likely to change, HRI will provide NRC Staff with immediate notice of any such change. Thank you very much for your time and consideration in this matter and we look forward to working with you in the near future.

Respectfully Submitted,

Mark S. Pelizza
Sr. Vice President
Health, Safety, Environment and Public Affairs