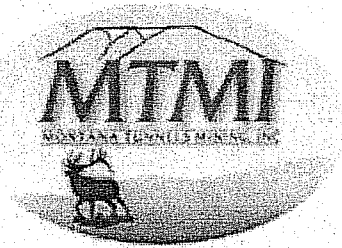


file



RECEIVED

MAY 16 2012

DNMS

MONTANA TUNNELS MINING, INC.

May 16, 2012

US NRC Region IV
Carol Hill
Licensing Assistant
1600 East Lamar Blvd.
Arlington, TX 76011-4511

RE: Assignment of replacement RSO.

Ref: Material License No.25-26866-01, Amendment 08, Docket No.030-29720
Montana Tunnels Mining, Inc.

Dear Ms. Hill:

Montana Tunnels Mining, Inc. maintains the referenced materials license for four fixed gauge radiation sources. The materials license is currently authorized for Possession and Storage in standby for these gauges with a license expiration date of November 30, 2013. I am the Radiation Safety Officer at Montana Tunnels Mining, Inc. and I plan to terminate my employment with the company effective May 18, 2012. The Montana Tunnels Mine has not been operating during the past several years while the mine owners seek financing to resume mining and milling activities. There is a small crew of personnel currently on site to maintain the mine properties. With my departure, Montana Tunnels plans to dispose of its gauges through our licensed contractor and terminate the current materials license. The gauges that are in the possession of Montana Tunnels are identified in the table below.

<u>Model</u>	<u>Serial No.</u>	<u>Manufacturer</u>	<u>Radionuclide</u>	<u>Activity (mCi)</u>
SA8-C10	M0926	Ronan	Cesium-137	150
SA8-C10	M0927	Ronan	Cesium-137	150
SA8-C10	M0931	Ronan	Cesium-137	300
SA1-C5	M0935	Ronan	Cesium-137	1,000

By way of this letter, I am assigning Jerry Koon, the Purchasing and Materials Manager at Montana Tunnels Mining, Inc., as my replacement RSO to until such time that the gauges are disposed and the materials license is terminated. Jerry Koon's contact email is jkoon@mttunnels.com and his work phone number at Montana Tunnels Mining is (406)933-8314 x2821.

P.O. BOX 176 • JEFFERSON CITY • MT • 59638
406.933.8314 • FAX 406.933.8373

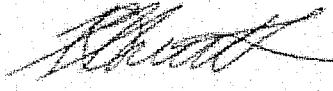
5 7 7 5 3 3

With this RSO assignment, I am including the approval signature of Tim Smith, General Manager of Montana Tunnels Mining, Inc. If you have any questions or require additional information, please contact us.

Sincerely,



John Schaefer
Environmental Manager/RSO
Montana Tunnels Mining, Inc.



Tim Smith
General Manager/Chief Operating Officer
Montana Tunnels Mining, Inc.

cc: Jerry Koon



DATE
05/16/2012

NAME AND ADDRESS OF APPLICANT AND/OR LICENSEE Montana Tunnels Mining, Inc. ATTN: John Schaefer Radiation Safety Officer 270 Montana Tunnels Road P.O. Box 176 Jefferson City, MT 59638	LICENSE NUMBER 25-26866-01
	MAIL CONTROL NUMBER 577533
	LICENSING AND/OR TECHNICAL REVIEWER ch

This is to acknowledge the receipt of your:

LETTER and/or APPLICATION DATED: 05/16/2012

The initial processing, which included an administrative review, has been performed.

AMENDMENT TERMINATION NEW LICENSE RENEWAL

- There were no administrative omissions identified during our initial review.
- This is to acknowledge receipt of your application for renewal of the material(s) license identified above. Your application is deemed timely filed, and accordingly, the license will not expire until final action has been taken by this office.
- Your application for a new NRC license did not include your taxpayer identification number. Please fill out NRC Form 531, located at the following link:

<http://www.nrc.gov/reading-rm/doc-collections/forms/nrc531.pdf>

Send the completed NRC Form 531, by facsimile, to the following number: (301) 415-5387

A copy of your action has been emailed to our License Fee and Accounts Receivable Branch, in our Headquarters office in Rockville, MD. You will be contacted separately if there is a fee issue involved.

Your application has been assigned the above listed **MAIL CONTROL NUMBER**. When calling to inquire about this action, please refer to this control number. Your application has been forwarded to a technical reviewer. Please note that the technical review, which is normally completed within 180 days for a renewal application (90 days for all other requests), may identify additional omissions or require additional information. If you have any questions concerning the processing of your application, our contact information is listed below:

Region IV
U. S. Nuclear Regulatory Commission
DNMS/NMSB - B
1600 E. Lamar Boulevard
Arlington, TX 76011-4511
(817) 200-1103 or (817) 200-1140

*emailed
5/16/12*

BETWEEN:

Accounts Receivable/Payable
and
Regional Licensing Branches

[FOR ARPB USE]
INFORMATION FROM LTS

Program Code: 03810
Status Code: Pending Amendment
Fee Category: 3P
Exp. Date: 05/31/2011
Fee Comments:
Decom Fin Assur Reqd: N

License Fee Worksheet - License Fee Transmittal

A. REGION

1. APPLICATION ATTACHED

Applicant/Licensee: Montana Tunnels Mining, Inc.
Received Date: 05/16/2012
Docket Number: 3029720
Mail Control Number: 577533
License Number: 25-26866-01
Action Type: Amendment

2. FEE ATTACHED

Amount: _____
Check No.: _____

3. COMMENTS

Signed: Carol R. Hise
Date: 5/16/12

B. LICENSE FEE MANAGEMENT BRANCH (Check when milestone 03 is entered / /)

1. Fee Category and Amount: _____

2. Correct Fee Paid. Application may be processed for:

Amendment: _____
Renewal: _____
License: _____

3. OTHER _____

Signed: _____
Date: _____