



September 25, 2012


Mr. Andrew Persinko
Division of waste Management & Environmental Protection
Office of Federal & State Materials & Environmental Management Programs
Mail Stop T-8F5
U.S. Nuclear Regulatory Commission
11545 Rockville, Maryland 20852-2738

Re: Docket No. 40-2259, License No. SUA-672

Dear Mr. Persinko:

Condition 22 of the referenced license requires the submittal of the results of effluent and environmental monitoring in accordance with 10 CFR 40.65. This is to advise you that no effluent or environmental monitoring was done during the first and second quarters of 2012 at the Lucky Mc tailings site, consistent with amendment number 64 to the license. The ground water monitoring results for the first and second quarters, 2012 were submitted to the NRC in September 14, 2012 in a separate report pursuant to condition 60 of the license. Enclosed is the annual land use survey required by condition 21 of the license.

Sincerely,



R. Mark Owens
General Manager

Encls.

cc: D. B. Spitzberg, U.S. NRC – Region IV

PATHFINDER MINES CORPORATION

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PATHFINDER MINES CORPORATION
Lucky Mc Mine
SUA-672, License Condition No. 21

Annual Land Use Survey Report
September 25, 2012

General land uses within five miles of the Lucky Mc restricted area boundary:

Land uses during 2011-2012 within five miles of the Lucky Mc restricted area boundary did not change significantly from what was reported for the previous year. Cattle and sheep have been grazing on the adjacent open range during late spring through the fall when they are typically removed for the winter.

Pathfinder activities over the past year relating to the restricted area included periodic monitoring of the site status (the tailings site had been reclaimed a number of years ago), control of noxious weeds, and quarterly well sampling. The erosion control work accomplished during reclamation of the site continues to perform very well.

The nearest (and only) full-time residence is located 5.9 miles to the north-northwest of the northwest corner of the restricted area fence. Two adult individuals live at the site, and they utilize a domestic water well. No other potable water source was utilized in the general area this past year. Livestock and wildlife continue use of stock watering ponds which occur within five miles of the restricted area boundary. The closest such pond to the restricted area, the mine runoff settling pond immediately to the east of Tailings Pond #1, was fenced during the spring, 2003, to temporarily exclude cattle from the pond and the adjacent reclamation. The dam for that pond was intentionally breached in late 2005 as part of the mine reclamation. However, there is residual storage capacity in that pond below the breach spill elevation. The residual pond was re-permitted in 2010 with the Wyoming State Engineer as a stock watering source. This was done in anticipation of eventual site transfer to the U.S. Department of Energy since the pond will be within the transfer area. There is a stock watering well located just east of Reid Draw some two miles north of the north end of the restricted area. Of significance, title to the transfer area property was deeded to the U.S. Department of Energy in 2010.

No uranium mining occurred during the past year in the Gas Hills. Pathfinder's activities at its mine site to the south of the restricted area were limited to mine monitor well sampling and routine reclamation repairs.

There has been renewed uranium claim staking in the Gas Hills in recent years, and at least one company continues to evaluate the feasibility of starting a conventional open pit or underground uranium mine to the south of the Lucky Mc mill and tailings site on ground adjacent to Lucky Mc Mine and has indicated the intent to submit appropriate applications to regulatory bodies in the near future. Related to that activity there have been various claims staked on Federal land primarily to the south of the eventual Gas Hills North (Lucky Mc) site transfer boundary. That company has been doing baseline environmental monitoring, confirmation drilling, and other related activities in support of their application for a mine permit to the Wyoming Department of Environmental Quality.

A second company has been issued a permit to mine by the WDEQ and conditional license from the USNRC for an ISR operation centered on the former Carol Shop site southeast of the Gas Hills North (Lucky Mc) site. That project is awaiting final approval of the EIS by the US

2011-2012 Land Use Survey, SUA-672, page 2.
BLM.

The primary recreational use of the subject area continued to be the sport hunting of antelope, deer, and sage hens during the fall months, and cottontail rabbits and coyotes from fall through winter.