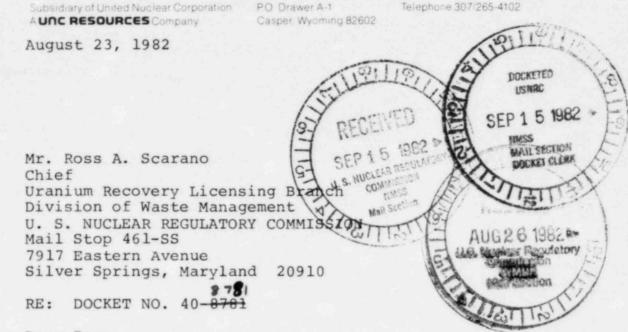


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UNC TETON EXPLORATION DRILLING, INC.



Dear Ross:

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PDR

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Today is the end of the comment period for UNC Teton's above referenced DES. UNC Teton would like to take this opportunity to make a few brief observations concerning the application process to date.

Generally speaking, the DES was very well done, thanks to the conscientious work of our Project Leader, Mr. Fred Ross, and a competent and cooperative consultant review staff. The time the process has taken to date (approximately twenty-two months) would have created many problems and considerable expense if UNC Teton were under pressure to commence commercial operations. I am sure you remember the initial NRC personnel shortage which caused a late start on the review. Additional delays were caused by UNC Teton's use of Regulatory Guide 3.8 which is entitled "The Preparation of Environmental Reports for Uranium Mills" as a format. This format was initially suggested by the NRC staff members and required major revisions to be consistent with the information submitted and approved by the State of Wyoming Department of Environmental Quality. In addition to regulatory guidance, John Linehan tells me that it is now acceptable to submit the Environmental Report to the NRC in nearly the same format as the Wyoming State Application as long as it is supplemented with additional data required by the NRC (mainly radiation and socioeconomic information). This will save considerable preparation, time, and review response time for future applicants. We now look forward to the expedient completion of the FES and hopefully, the license can be issued this fall.

FEE EXEMPT 20673

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Mr. Ross A. Scarano August 23, 1982 Page two



I would also like to remphasize that UNC Teton's process does not include a dryer and the product produced and shipped is a wet slurry which eliminates a great deal of the potencial radiation hazard on this project.

A major concern UNC Teton has with the present DES is that pages VI and VII, Sections d, f, g, h, k and r specify license amendments prior to mining and the question of amendment fees is raised. I would look forward to clarifying the difference between an amendment requiring a fee and a submission of data required for proper project management and control. Hopefully, this can be done to everyone's satisfaction when the final license conditions are prepared.

Thank you again for your consideration and assistance on this project to date.

Sincerely yours,

UNC TETON EXPLORATION DRILLING, INC.

Huh R. appel

Richard R. Appel Coordinator Permits and Licensing

RRA/mdd

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