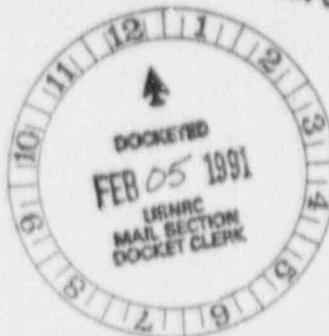


40-8914



RETURN ORIGINAL TO PDR, HQ.



February 5, 1991

VIA FAX

Ms. Dawn L. Jacoby, P.E.
United States Nuclear
Regulatory Commission - Region IV
Uranium Recovery Field Office
P.O. Box 25325
Denver, CO 80225

RE: License SUA-1482, Johnny M

Dear Ms. Jacoby:

On February 4, 1991, you called and spoke with Larry Drew regarding the ownership of the property at the Johnny M site. Specifically, you asked if we had anything in writing regarding the potential to acquire the property from the owners, the Fernandez Company. At the time the Johnny M became operational, Ranchers Exploration (our predecessor) had inquired as to the sale of the property, and at that time it was very clear that the owner would not consider any sale. To verify if this was still correct, I contacted Mrs. Iona Lee, one of the principals and the representative of the Fernandez Company, today (February 5, 1991) and discussed the issue again. The owner remains firmly committed that the property is not available for purchase.

Very truly yours,
Roger A. Kaufman

Roger A. Kaufman
Vice President - Industrial Minerals

RAK:jg

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PDR ADDCK 04008914
C PDR

DESIGNATED ORIGINAL

Certified By Mary C. Hood
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