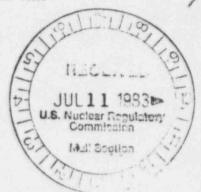


July 6. 1983

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. John Linehan, Chief Licensing Branch 1 Uranium Recovery Field Office P. O. Box 25325 Denver, Colorado 80225(0325)



Docket 40-8768 License SUA-1387 Amendment Request

Dear Mr. Linehan:

The Wyoming Department of Environmental Quality (DEQ) has requested Kerr-McGee to change the "O" sand in-situ R&D project application from an In-Situ Research and Development Testing License (DEQ Form 5) to an application for Permit Revision (DEQ Form 11) under Mining Permit 304C. DEQ has assured us this will not change the way the project will be reviewed or evaluated; therefore, Kerr-McGee has revised the package and submitted an Application for a Permit Revision.

Kerr-McGee, however, has reserved the right to withdraw the Permit Revision application and replace it with an In-Situ Research & Development License application. We would exercise that right if: 1) NRC opposed DEQ's approval of the project under Permit 304C; 2) it adversely affected NRC review and approval of the project; or 3) if DEO makes a significant change in their policy during the review.

In our phone conversation of June 30, 1983, you indicated that DEQ approval of the R&D project under Permit 304C would not affect the NRC evaluation or approval process and no objections from NRC were anticipated. If you could send us a letter confirming this is NRC's position on this matter, it would be greatly appreciated. Attached for your information is a complete set of the revised application to DEQ.

If you have any questions, please call me at (405) 270-2972.

Sincerely yours,

Marvin D. Freeman

MDF/jlm Attachment

xc: W. Shelley - w/o attachments E. Orrell - w/o attachments

OFFICIAL DOCKET CO.

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