Mr. Richard E. Blubaugh Vice-President Environmental Health and Safety Resources Powertech (USA), Inc. 5575 DTC Parkway, Ste. 140 Greenwood Village, CO 80III

SUBJECT: SECOND DRAFT MATERIALS LICENSE SUA-1600, POWERTECH (USA),

INC., DEWEY-BURDOCK IN SITU RECOVERY FACILITY, FALL RIVER AND

CUSTER COUNTIES, SOUTH DAKOTA (TAC NO. J00606)

Dear Mr. Blubaugh:

On July 31, 2012, the U.S. Nuclear Regulatory Commission (NRC) staff issued a draft license for the proposed Dewey-Burdock in situ recovery facility in Fall River and Custer counties, South Dakota (ADAMS Accession No. ML12207A473). Powertech (USA), Inc. (Powertech) provided comments on this draft license by a letter dated August 10, 2012 (ADAMS Accession No. ML12227A584). Powertech also provided a supplemental sampling plan and responses to comments regarding the draft license by letter dated October 19, 2012 (ADAMS Accession No. ML12305A056). Based on the staff's continued review and Powertech's comments, the staff is issuing this second draft license.

As was the case with the first draft license, this second draft license is preliminary in nature and will facilitate continuing discussions necessary to finalize the Safety Environmental Report and Supplemental Environmental Impact Statement. It should be noted that as the staff's review continues, this second draft license is subject to change, and has not received formal legal review. Issuing this draft license does not constitute a licensing decision by the NRC. Please review this draft license and provide comments within 30 days of receipt of this letter. Comments can be provided via letter or email. The staff can also schedule a public meeting to discuss the draft license. Significant changes or deviations from the draft license may require additional staff review and may delay the final review schedule.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Website at http://www.nrc.gov/reading-rm/adams.html.

If you have any questions concerning the above, please contact me at (301) 415-7182 or via email at Ronald.Burrows@nrc.gov.

Sincerely,

/RA/

Ronald Burrows, Project Manager
Uranium Recovery Licensing Branch
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No. 40-9075

Enclosure:

Second Draft Source Material License

CC:

Dick Clement, Powertech
John Mays, Powertech
Bob Townsend, SD DENR
Mike Cepak, SD DENR
Marian Atkins, BLM
Mike McNeil, USFS
Lynn Kolund, USFS
Valois Shea, US EPA, Region 8

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