



August 28, 2006

Mr. William Von Till
Chief, Uranium Processing Section
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
11545 Rockville Pike
Rockville, Maryland 20852-2738

Re: Docket No. 40-6622, License No. SUA-442

Dear Mr. Von Till:

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 2006 at the Shirley Basin tailings site, consistent with amendment number 52 to the license. Note that no No. 5 dam piezometric readings have been taken for over a year due to the ongoing decommissioning of the dam. The dam has been subject to significant grading, consistent with the Tailings Reclamation Plan, necessitating the abandonment of the piezometers.

The ground water and surface water monitoring results for the first six months of 2006 will be submitted to the NRC under separate cover by September 1, 2006, pursuant to condition 47C of the license. Enclosed is the annual land use survey required by condition 21 of the license.

Sincerely,

A handwritten signature in cursive script that reads 'Tom Hardgrove'.

T. W. Hardgrove
Manager, Reclamation Operations

Encls.

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

Annual Land Use Survey
2005-2006
Pathfinder Mines Corporation
Shirley Basin Mine
Source Material License SUA-442

August 28, 2006

Pursuant to condition 21 of Source Material License SUA-442, a review of the land use status within five miles of the restricted area boundary was conducted. There were no significant changes in land use over the past year compared to what was described in the last survey report. Aside from the Heward Ranch noted below, there were no private residences within five miles of the site. An employee of the consulting firm supplying surveying and materials testing services for the tailings reclamation has resided part time in a mobile laboratory/living quarters trailer parked near the Shirley Basin Mine office. Up to seven employees of the contractor doing tailings reclamation stay near the shop site in campers during the work week (July-October, 2006). No new private or public potable water or agricultural wells were completed within five miles of the restricted area boundary. Activities at the Pathfinder site consisted of tailings reclamation work by the contractor, ground water monitoring within the restricted area, mine shop demolition cleanup, and limited reclamation work on Pathfinder's adjacent mine.

The primary agricultural use of adjacent lands was cattle and sheep grazing. The Heward Ranch, some three miles southeast of the restricted area, continued to be the nearest agricultural residence. Grazing utilization did not change appreciably from the previous year. Wildlife such as pronghorn antelope, deer, sage grouse, and various non-game species continue to utilize the habitat available in the general area. No new nonresidential structures were built within the area of concern, and uses of existing structures did not change. There continued to be some mineral claim staking activity in the general area on Federal land. Limited recreational utilization of the public lands adjacent to the restricted area continued in the form of hunting, primarily during September-October. The Jenkins Pit, reclaimed by the Abandoned Mine Lands Program as a lake, remains open to public access for fishing. The lake is located south-southeast of the Pathfinder site.

The nearby Petrotonics tailings/mine site is now under the stewardship of the U.S. Department of Energy.