

January 3, 1997

Mr. Richard F. Clement, Jr., President
Hydro Resources, Inc.
2929 Coors Road, NW - Suite 101
Albuquerque, New Mexico 87120-2929

SUBJECT: ISSUANCE OF SUPPLEMENTAL DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Clement:

I am responding to your December 12, 1996, letter to Chairman Jackson and Joseph J. Holonich, Chief of the Uranium Recovery Branch. Your letter was sent in response to a December 6, 1996, letter received by the U.S. Nuclear Regulatory Commission from Ms. Susan Jordan of the New Mexico Environmental Law Center. In her letter, Ms. Jordan requested that the NRC issue a Supplemental Draft Environmental Impact Statement (SDEIS) for the Hydro Resources, Inc. (HRI) proposed uranium solution mining project at Crownpoint, NM, and establish a Local Public Document Room (LPDR) at the Crownpoint site. The position taken in your letter is that the NRC should not agree to either of the requests from Ms. Jordan.

Enclosed for your information is a copy of the December 24, 1996, NRC response to Ms. Jordan providing the NRC decision that there was no need to issue a SDEIS. In addition, the NRC response also provides the criteria that must be met to establish a LPDR for a uranium recovery facility. I trust this information responds to your letter.

If you have any questions concerning this subject, please feel free to contact either me or Mr. Holonich. I can be reached at (301) 415-7800, and Mr. Holonich can be reached at (301) 415-7238.

Sincerely,

ORIGINAL SIGNED BY
Malcolm R. Knapp for
Carl J. Paperiello, Director
Office of Nuclear Material Safety
and Safeguards

Enclosure: As stated

TICKET: 6960965

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*SEE PREVIOUS CONCURRENCE * concurred via E-mail

JL PROOFED 1/2 FOR CJP

OFC	URB	OGC*	URB	DWM	NMSS
NAME	RCarlson	RFonner	JHolonich	JGreeves	CPaperiello
DATE	12/30/96	12/30/96	12/31/96	12/31/96	01/3/07

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WJ 12/31

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* concurred via E-mail

OFC	URB	H	OGC*	H	URB	C	DWM		NMSS	
NAME	RCarlson		FOR RForner		JHolonich		for JGreeves		CPaperiello	
DATE	12/30/96	E	12/30/96	E	12/31/96		12/31/96		/ /	

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