



Rio Algom

William Paul Goranson, P.E.
Manager, Radiation Safety
Regulatory Compliance and Licensing

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December 10, 2002

Via Federal Express

ADRESSEE ONLY
Jill Caverly, Project Manager
Fuel Cycle Facilities Branch
Mail Stop T-8A33
Two White Flint North
11545 Rockville Pike
Rockville, MD 20850

**Subject: Mill Demolition Plan – License Condition 29
Ambrosia Lake Facility
License Number SUA-1473 Docket Number: 40-8905**

Dear Ms Caverly:

Attached to this letter are two (2) copies of the Demolition Plan for the Mill Facility at Rio Algom's Ambrosia Lake Facility as part of the requirement for license condition 29. This plan only addresses the demolition and the disposal of the mill structures, as well as the health & safety program and potential equipment releases during the demolition. Decommissioning of soils and release of the mill site along with other affected areas will be addressed in a follow-up submittal that will address background concentrations, procedures for sampling and measurement of residual radioactive materials in soil, release criteria and QA/QC programs.

As a business decision, Rio Algom Mining LLC has begun preparing for the closure of the Ambrosia Lake Facility. As a result, in order to allow the initiation of the mill teardown while the complexities of the soil-decommissioning program are addressed, Rio Algom is submitting the demolition plan as a portion of the overall decommissioning plan. The attached mill demolition schedule provides the timing for demolition of various locations within the mill area. The timing shown is preliminary, but representative of the respective work areas and the anticipated timing for completion. The schedule could vary from plan as work actually progresses. Some of the projected work areas will be initiated in the 1st quarter of calendar year 2003 in areas where significant deterioration of structures poses a potential safety hazard, e.g. the outside solvent extraction tanks and superstructure.

The major portion of the demolition work, such as the crushing circuit and the leach building, is anticipated to start in the 2nd Quarter of calendar year 2003 and continue through the end of calendar year 2004. The submittal to NRC of the soil-decommissioning plan is anticipated for 2nd Quarter of 2003.

December 10, 2002

If you have any questions, please call me at (405) 858-4807.

Sincerely,

A handwritten signature in black ink, appearing to read 'William Paul Goranson', written in a cursive style.

William Paul Goranson, P.E.
Manager, Radiation Safety, Regulatory
Compliance and Licensing

Enclosures

CC: Bruce Law, RAM (w/o attachments)
Terry Fletcher, RAM (w/o attachments)
Peter Luthiger, RAM (w/o attachments)