



WESTERN NUCLEAR, INC.

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March 7, 2003

U.S. Nuclear Regulatory Commission
Uranium Recovery Branch
Mail Stop T8A33
Washington, D.C. 20555-0001

Attn: Bill von Till, Project Manager

Re: Docket No. 40-1162, License No. SUA-56, Supplemental Groundwater Modeling

Dear Sir:

Enclosed you will find three copies of our Supplemental Groundwater Modeling Report. As we have previously discussed with you and your staff, this modeling was done to provide a higher level of confidence with the long-term prediction of contaminant transport from the reclaimed Split Rock tailings impoundment. Specifically, the flow from the southwest valley has been remodeled using current modeling software that is significantly more suited for the task than the software that was available for the original modeling effort. Additionally, we were able to include the most current data obtained from the groundwater monitoring wells. The previous model only used data through 1996 whereas this supplemental model utilized data through 2002. The combination of the new modeling software and the use of the most current data enables us to have a high degree of confidence in the predicted results.

The modeling effort focused on the southwest valley. The flow from the northwest valley was not reevaluated. As shown by the previous data and modeling, the northwest valley plume has, or will soon, reached its maximum extent and the plume will only diminish in size and concentration in the future.

Figure 6.0-7 in the Supplemental Modeling report presents our proposed new long-term care boundary. The boundary was modified based on the results of the new predictions and was fashioned to include the predicted area of the uranium plume at 1000 years, while minimizing additional property to be transferred to the NRC. We would like to discuss the proposed boundary with you during our March 24, 2003 meeting.

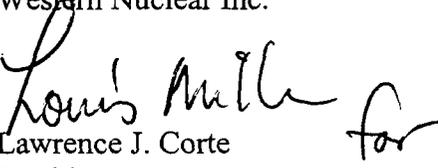
We trust that this Supplemental Modeling Report will provide you with the information you need to finish your review of the Site Closure Plan. We remain committed to completing all of the

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outstanding elements of site close and proceeding towards license termination as quickly as possible.

Please let us know if we can be of further assistance in your review.

Sincerely,
Western Nuclear Inc.


Lawrence J. Corte
President

cc. Lou Miller, SMI
Ann Root
H. Shaver
T. Thompson