

WESTERN NUCLEAR, INC.
2801 Youngfield, Suite 340
Golden, Colorado 80401
(303) 274-1767 Fax: (303) 274-1762

Lawrence J. Corte
President & General Manager

December 12, 2003

Robert A. Nelson
Captain, USNR (Ret)
Chief, Uranium Processing Section
Division of Fuel Cycle Safety and Safeguards
U.S. Nuclear Regulatory Commission
MS T8 A33
Washington DC 20555

SUBJECT: Source Material License SUA-56 - 40-1162

Dear Mr. Nelson:

This letter is to formally request information that was discussed during our meeting of December 8, 2003 regarding the Western Nuclear Split Rock site near Jeffrey City Wyoming.

As we discussed, efforts are underway to acquire property near the site in the "Red Mule" area. The land that we are attempting to acquire is inside the boundary of the long-term institutional control area as defined in our most recent groundwater water modeling report (Supplemental Groundwater Modeling Report for the Split Rock, Wyoming Site dated March 2003). We are requesting the NRC provide technical determinations for two issues. First, we would like a determination that the elevated concentrations of groundwater constituents (principly uranium) encountered in the Red Mule area are not a result of our operations. We believe that we have provided sufficient information to conclude that the elevated constituents are not site derived. Second, we need to finalize the determination of the long-term care boundary. We believe that the boundary proposed for the long-term institutional control area, as defined by the 1000-year groundwater modeling in the March 2003 supplemental monitoring report, conservatively delineates this boundary.

These two determinations are necessary to allow flexibility and which will maximize the potential for success in acquiring all of the necessary Red Mule properties. We will have the ability to offer two alternatives to the Red Mule landowners other than simply purchasing their property. First, once it is determined that the elevated constituents in the Red Mule wells are not a result of activities at the mill tailings facility, it would be possible to buy the property now and allow the current residents to stay in their homes

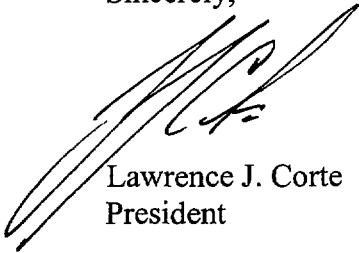
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until their death or possibly for a fixed time period. The other option that would be available, once the long-term care boundary has been determined, would be to trade property outside of the boundary for land that is inside the boundary.

As you know, we would like to move forward with the land acquisition process as soon as possible and would therefore ask that you expedite this request as much as possible.

We appreciate your attention to this matter and are encouraged by the efforts that you and your staff are making to move the site through closure. Please let me know if there is any additional information you or your staff might need to complete your determinations.

Sincerely,

A handwritten signature in black ink, appearing to read 'L. Corte', written over a horizontal line.

Lawrence J. Corte
President