



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-4005**

June 6, 2006

H. Keith Walters, General Manager
Usibelli Coal Mine, Inc.
P.O. Box 1000
Healy, Alaska 99743

SUBJECT: RESPONSE TO NRC INSPECTION REPORT 030-36755/06-001 AND NOTICE OF VIOLATION

Dear Mr. Walters:

Thank you for your letter dated May 3, 2006, in response to our letter and Notice of Violation (Notice) dated April 7, 2006. We have reviewed the information in your reply as well as information provided during a telephone conversation with you on May 22, 2006, and find the information responsive to the concern raised in our Notice. We will review the implementation of your corrective actions during a future inspection to determine that full compliance has been achieved and will be maintained.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions concerning this letter, please contact Mr. Richard Leonardi at (817) 860-8187 or the undersigned at (817) 860-8143.

Sincerely,

/RA/

Vivian H. Campbell, Chief
Nuclear Materials Inspection Branch

Docket No.: 030-36755
License No.: 50-27794-01

cc : Alaska Radiation Control Program Director

Usibelli Coal Mine, Inc.

bcc w/enclosure (via e-mail distrib):

LDWert

VHCampbell

RALeonardi

KEGardin

NMIB

RIV Materials Docket File (5th Floor)

SI Review Completed: RAL

ADAMS: X Yes No Initials: RAL

X Publicly Available Non-Publicly Available Sensitive X Non-Sensitive

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