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Facsimile Transmittal

To: RADB - Cindy Bladley Fax No.: 301-492-3446

Company: US Nuclear Reg. Commission Date: Dec. 22, 2011

From: David Erydenlund Page 1 of:

Re: _____

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December 22, 2011

VIA FACSIMILE

Cindy Blady
Chief, Rules, Announcements & Directives
Mail Stop TWB-05-B01M
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Dear Ms. Bladey:

Re: Regulatory Issue Summary on Processing of Equivalent Feed Docket ID NRC-2011-0217 (the "RIS")

Denison Mines (USA) Corp. operates the White Mesa Uranium Mill, located near Blanding Utah. The White Mesa Mill processes conventionally mined uranium and uranium/vanadium ores from Denison's mines and from third party mines in Utah, Colorado and Arizona and currently processes and has processed over the years a number of alternate feed materials. The White Mesa Mill is the only conventional uranium mill currently operating in the United States today.

In addition to processing conventionally mined ores and alternate feed materials, the Mill is licensed to directly dispose of 11e.(2) byproduct material from In Situ Recovery ("ISR") uranium mining facilities, and currently receives such materials from a number of third party ISR facilities in the United States.

Denison supports the RIS and believes it provides a mechanism to deal with water treatment resins in a manner that is protective of public health, safety and the environment.

However, as currently proposed, the language of the RIS is unnecessarily restrictive with respect to the circumstances where equivalent feeds can be processed at a conventional uranium mill without the need for a license amendment.

Many uranium mills are or have been licensed to directly dispose of 11e.(2) byproduct material from ISR facilities. 11e.(2) byproduct material from ISR facilities includes loaded and unloaded resins from those facilities, and would include unloaded or loaded water treatment resins from water treatment facilities that are processed or received for processing as equivalent feed at those ISR facilities. As a result, any conventional uranium mill that is licensed to directly dispose of 11e.(2) byproduct material from ISR facilities is indirectly licensed to dispose of equivalent feeds that had been processed at ISR facilities and the wastes therefrom, and should therefore be authorized to receive and process equivalent feed material directly, without a license amendment. Processing of equivalent feed materials at a conventional uranium mill that is licensed to process conventional ores and permanently dispose of the wastes from such processing, and that is licensed to permanently dispose of 11e.(2) byproduct material from ISR facilities (which could contain equivalent feeds and the wastes therefrom) should be considered to be within the mill's existing safety and environmental review envelope without further question.

Second, the ability of a conventional uranium mill to receive and process equivalent feed material should not be conditional upon the mill using existing equipment or having an existing IX processing circuit. Whether or not a conventional mill has existing equipment, or is able to reconfigure existing equipment or

is able to adjust its process equipment is a separate matter that applies to all mill operations and not just to equivalent feed processing. There are circumstances where a mill can make process and equipment changes and adjustments without a license amendment and circumstances where such changes or adjustments will require a license amendment. Such considerations have to be made for any processing activity, whether it be for processing conventional ores, alternate feed materials or equivalent feed materials. The real question is not whether the mill has the existing equipment, which it may or may not have, but whether the mill is authorized to have the equipment and process circuits necessary to process the equivalent feed material.

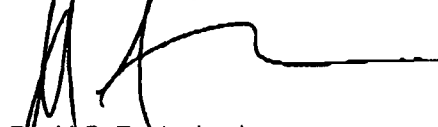
As a result of the foregoing, we would suggest the following revisions to the RIS:

1. In the first paragraph under the heading "Intent", the phrase: "...and would be processed using existing equipment at the facility" should be changed to read something like: "...and would be processed using existing or authorized equipment at the facility, or could be permanently disposed of at the facility under its existing license as 11 e.(2) byproduct material from an ISR facility."; and
2. In the fourth paragraph under the heading "Summary of Issue", the sentence: "However, if a conventional mill has an existing IX processing circuit, either as part of its conventional milling process or a separate process line, it may accept equivalent feed without a license amendment" should be changed to read something like: "However, if a conventional mill has or is authorized to have an existing IX processing circuit, either as part of its conventional milling process or a separate process line, or is authorized to directly dispose of 11e.(2) byproduct material from ISR facilities, it may accept equivalent feed without a license amendment."

Denison appreciates the opportunity to provide comments on the RIS. If you have any questions or require any further information, please do not hesitate to contact the undersigned.

Yours very truly,

DENISON MINES (USA) CORP.



David C. Frydenlund
Vice President, Regulatory Affairs and Counsel

cc: Ron F. Hochstein
Harold R. Roberts
Jo Ann S. Tischler
Katie Sweeney – National Mining Association