

May 18, 2012

via Overnight Mail

Mr. Keith I. McConnell, Deputy Director
Decommissioning & Uranium Recovery Licensing Directorate
Division of Waste Management & Environmental Protection
Office of Federal & State Materials & Environmental Management Programs
U.S. Nuclear Regulatory Commission
11545 Rockville Pike
Mail Stop T7-E18
Rockville, Maryland 20852-2738

**Re: Willow Creek Project
License No. SUA-1341
Docket No. 40-8502
Verification of License Condition 10.5 Language**

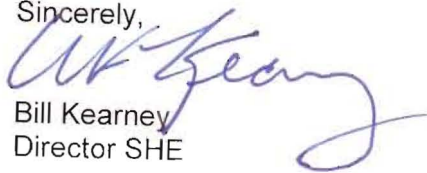
Dear Mr. McConnell:

Uranium One USA, Inc. (Uranium One) has been discussing the wording and interpretation of License Condition 10.5 with Mr. Ron Linton of your staff. More specifically, License Condition 10.5 authorizes Uranium One to “conduct operations at a maximum flow rate of 4000 gpm, exclusive of restoration flow”. Uranium One has always interpreted this as the “annual average flow rate of 4000 gpm” as described in Section 3.0- Mine Plan and Section 3.4.2.2- Ion Exchange/Lixiviant Makeup, of the approved license application. As discussed with Mr. Linton, even the NRC makes reference to the “maximum average flow rate of 4000 gpm exclusive of restoration flow” in the June 1998 Safety Evaluation Report. Additionally, the June 1998 Environmental Assessment for Renewal of Source Material License No. SUA-1341, Section 3.4- Uranium Recovery Process, makes reference to License Amendment 47, which by reference in License Conditions 10.1 and 12, includes the language “annual average flow rate of 4000 gpm”.

As further discussed with Mr. Linton, Uranium One’s interpretation of the “annual average flow rate of 4000 gpm” will not conflict with any impact assessment previously completed. In summary, Uranium One requests concurrence from NRC that our interpretation of the “annual average flow rate of 4000 gpm” is consistent with the approved license application and is acceptable to NRC.

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Sincerely,



Bill Kearney
Director SHE

cc: Ron Linton-NRC
Donna Wichers
Jon Winter