PDR

40-3453

Atlas Minerals
Division of Atlas Corporation
2508 Prudential Plaza
1050 17th Street
Denver, Colorado 80265
Phone (303) 534-5131

October 10, 1979

Mr. Ross A. Scarano, Section Leader
Uranium Recovery Licensing Branch
Division of Waste Management
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Our letter of August 29, 1979

Dear Mr. Scarano:

We have, with great reluctance, decided to defer any further effort on the Tuba City project. This decision was reached because of these three factors:

1. We do not have a clear understanding of what the regulatory cost, procedures, and time, would be.

2. The cost of fuel has been escalating very rapidly.

3. We have new concerns about the efficiency of the recovery system that were discussed in our enclosures with the August 29 letter.

Although this project is now on the "back burner" we would appreciate receiving a response to the question in our August 29 letter on licensing procedures.

Very truly yours,

Gordon T. Swanby

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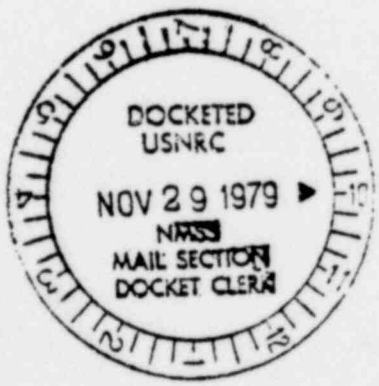
Vice President
Engineering and Environment



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cc: A. E. Dearth

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LPDR 40-3453

Atlas Minerals
Division of Atlas Corporation
2508 Prudential Plaza
1050 17th Street
Denver, Colorado 80265
Phone (303) 534-3161

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Uranium Recovery Licensing Branch
Division of Waste Management
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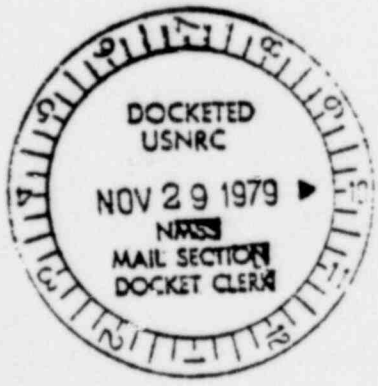

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