

40-5661



INTERNATIONAL
URANIUM (USA)
CORPORATION

Independence Plaza, Suite 950 • 1050 Seventeenth Street • Denver, CO 80265 • 303 628 7795 main • 303 389 4125 fax
October 23, 1998

Via Fax: (301) 415-5397

Mr. Joseph J. Holonich
U.S. Nuclear Regulatory Commission
Uranium Recovery Branch
Office of Nuclear Materials Safety & Safeguards
Mail Stop T7J9
Two White Flint North
11545 Rockville Pike
Rockville, MD 20852-2738

Re: White Mesa Mill - Reclamation Plan Rock Durability Testing

Dear Mr. Holonich:

I am writing as a follow up to the August 28, 1998 and September 11, 1998 submittals by International Uranium (USA) Corporation ("IUSA") detailing our plans for the rock sampling and testing program. The initial results of testing on rock samples obtained in our sampling program were inconsistent with results on the previously tested sample. As mentioned in our August 28th submittal, IUSA has located an alternate source of rock, which has been approved for the U.S. Department of Energy, Monticello Tailings Remedial Action Project. In addition, IUSA has also located three sites within a 10 mile radius of the Mill, which also appear to contain sufficient quantities of rock suitable for our use. One of these sources has also been previously tested and approved for the Monticello Project.

We are currently in the process of verifying the available quantities from these alternate sites, obtaining the documentation on testing results and evaluating the impact on the reclamation cost estimate. This information will be submitted to the NRC no later than November 20, 1998.

If you have any questions, please feel free to contact me.

Very truly yours,

Harold R. Roberts
Executive Vice President

9810280170 981023
PDR ADOCK 04008681
C PDR

HRR/pl

cc: Earl E. Hoellen
David C. Frydenlund
Michelle R. Rehmann

Robert A. Hembree
William N. Deal