



ATLAS CORPORATION

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RICHARD E. BLUBAUGH
Vice President of Environmental
and Governmental Affairs

March 11, 1994

Mr. Joseph J. Holonich
Uranium Recovery Branch
U.S. Nuclear Regulatory Commission
Division of Low-Level Waste Management & Decommissioning
NMSS (5 E2)
11555 Rockville Pike
Rockville, MD 20850

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Let's discuss
[Signature]

Re: Source Material License SUA-917 / Docket No. 40-3453
Requests for Technical Information

Dear Mr. Holonich:

As you know, NRC recently announced its decision to require an Environmental Impact Statement (EIS) on the proposed reclamation plan for Atlas' uranium mill near Moab, UT, and identified specific issues to be addressed by the EIS in that announcement. In light of that announcement, Atlas' management believes it is appropriate to suspend the work currently being conducted on reclamation plan issues until after the EIS scoping process is completed or at least until such time as management more clearly understands what is expected of Atlas and is in agreement therewith.

We trust you understand, that from the Company's perspective, the issues of faulting and seismic stability, Colorado River bank erosion, and groundwater contamination that were mentioned as resulting in the NRC's decision to require an EIS, and about which you have requested information, must await further comment and clarification during the scoping process. This process could result in modification of the scope of work as Atlas presently understands it, in which case the company's current efforts might not be responsive, nor, ultimately cost-effective.

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Before committing substantial resources to an EIS effort, the company is convinced that its technical focus must be thoroughly understood by both Atlas and NRC to assure that ultimately the EIS will support a final decision on the Moab facility's reclamation plan. We look forward to having the opportunity to work with you on these issues in the days to come.

Sincerely,



Richard E. Blubaugh

cc: M. Gross
R. Hall (URFO/Den.)