



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011 8064

November 21, 1997

Earl E. Hoellen, President  
International Uranium (USA) Corporation  
Independence Plaza, Suite 950  
1050 Seventeenth Street  
Denver, Colorado 80265

SUBJECT: RESPONSE TO NRC INSPECTION REPORT 40-8681/97-02

Dear Mr. Hoellen:

Thank you for your letters dated September 11 and November 3, 1997, in response to our letter and attached Notice of Violation both dated August 12, 1997.

In your first letter, it appeared that you had denied two of the violations identified during the inspection. After a telephonic discussion with members of your staff on October 1, 1997, it was determined that this was not the intent of your response, and that you agree that the violations had occurred. Your letter dated November 3, 1997, confirmed this agreement and provided a clarification to your response to the Notice of Violation.

We have reviewed your reply and find it responsive to the concerns raised in our Notice of Violation. We will review the implementation of your corrective actions during future inspections or licensing actions to determine whether full compliance has been achieved and will be maintained.

We note in your response that for the two violations in question, you plan to file a request for license amendment to achieve relief from the associated requirements. You should note that you are required to comply with these requirements until a license amendment relieving you from them is issued.

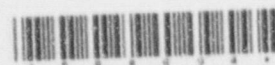
Should you have any questions, we will be glad to discuss them with you.

Sincerely,

Charles L. Cain, Chief  
Nuclear Materials Licensing Branch

License: SUA-1358  
Docket: 40-8681

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PDR ADOCK 04008681  
C PDR



International Uranium (USA) Corporation

Mr. William N. Deal, Mill Manager  
International Uranium (USA) Corporation  
6425 South Highway 191  
P. O. Box 789  
Blanding, Utah 84511

Mr. William J. Sinclair, Director  
State of Utah  
Department of Environmental Quality  
Division of Radiation Control  
168 North 1950 West  
Salt Lake City, Utah 84115-4850

Mr. Pat Mackin, Assistant Director  
Systems Engineering & Integration  
Center for Nuclear Waste Regulatory Analyses  
6220 Culebra Road  
San Antonio, Texas 78238-5166

bcc: DCD (IE07)

DISTRIBUTION w/cy of licensee's ltrs dtd Sept. 11 and Nov. 3, 1997:

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