

Quivira Mining Co.

William Paul Goranson, P.E.
Manager, Radiation Safety, Regulatory Compliance and Licensing

December 6, 1999

CERTIFIED MAIL Z 277 714 126
RETURN RECEIPT REQUESTED

John Surmeier
Branch Chief
U.S. Nuclear Regulatory Commission
Uranium Recovery Branch
Division of Waste Management
Mail Stop 8A23
Rockville MD 20850

40-8905

Re: **Ambrosia Lake Facility**
License SUA-1473, Docket No. 40-8905
License Condition #22, Annual Surety Update

Dear Mr. Surmeier:

Quivira Mining Co. request that the U.S. Nuclear Regulatory Commission extend the approved 1998 surety update to the source material license referenced above. Quivira Mining Co. has a surety bond \$11.127 million as approved in Amendment 41 to the Source Material License to cover the cost of the remaining closure and reclamation work at the facility.

As required by License Condition 22 of SUA-1473, Quivira submitted an updated surety proposal to NRC by June 30, 1999. Subsequently, NRC requested additional information pertaining to the actual costs of groundwater cleanup related to tailings seepage for a 15 year period in a letter dated August 25, 1999. The requested information was submitted to NRC in a letter dated September 25, 1999. Since that submittal, NRC has not responded to that submittal or approved the 1999 Surety Update. Therefore Quivira is requesting an extension of the 1998 surety until the NRC finally approves the 1999 surety. All portions of the existing surety remain valid and in force.

If you have any questions, please contact me at (405) 858-4807.

Sincerely,



William Paul Goranson, P.E.

Attachments: As Stated

cc: M. Freeman (RAMC-OKC)

L. Axtell (RAMC-Lisbon)

F. Fossey (RAMC-Lisbon)

D. Kavanagh (RAL-Toronto)

Division of Radiation Safety - (NRC/Arlington, Texas)

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