



INTERNATIONAL
URANIUM (USA)
CORPORATION

40-8681

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July 18, 2003

Via Facsimile & First Class Mail

Mr. William Von Till
Project Manager, Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety & Safeguards
Office of Nuclear Material safety and Safeguards
U.S. Nuclear Regulatory Commission
11545 Rockville Pike
Two White Flint North
Rockville, MD 20852-2738
Mail Stop T7J8

Re: REQUEST FOR ADDITIONAL INFORMATION SUA-1358 - FINANCIAL
SURETY FOR THE WHITE MESA URANIUM MILL

Dear Mr. Von Till:

In response to your letter of June 2, 2003, International Uranium (USA) Corporation ("IUSA") has reviewed the request for additional information relative to the current bond and standby trust agreements relative to the U.S. NRC's "*Technical Position on Financial Assurances for Reclamation, Decommissioning, and Long-Term Surveillance and Control of Uranium Recovery Facilities*" (October 1988), hereinafter referred to as the "Guidance." The following details our findings regarding each of the requests, listed below.

- 1) *The Surety Bond should have a provision added that addresses adjustments to the penal sum.*

IUSA's review of the Guidance, and in particular Appendix A-1 indicates that the rider for the adjustment of the penal sum is optional and is not required. Therefore, a modification to the bonding agreement is not required.

- 2) *The Standby Trust should reflect the correct institution acting as the trustee and contain Schedules A, B, and C that reflect the correct amount of the standby trust, the correct institution acting as trustee, and the correct trustee's fee and schedules.*

4mss01

Mr. William Von Till

Re: Request for Additional Information SUA-1358 – Financial Surety for the White Mesa Uranium Mill

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With regard to the institution which is the standby trustee, IUSA was informed by the trustee, that there has been no change of the trustee, but merely a change in the name of the trustee. This is because Wells Fargo purchased the shares of Norwest Bank. The mere fact that the trustee's name has changed is evidenced by the attached certificate. Because the trustee has not changed, there is no need to amend the Standby Trust Agreement or Schedule C to reflect the change in name.

With regard to Schedule A an amendment is not required for the following reasons:

- The Standby Trust Agreement contains language which provides for coverage of the "funds" which will fluctuate. Schedule A is only meant to illustrate the *initial* funding requirements;
- IUSA sends a copy of the annual rider showing the current bond estimate to the trustee; and,
- The Guidance, in Section 3.6 states that "updating the trust agreement to show current cost estimates and annual valuation" is not required.

With regard to Schedule C, the fee and schedules as shown are still correct and therefore does not require updating.

Based on the foregoing, it appears that in our particular circumstances there is no need to update the Bond Agreement or the Standby Trust Agreement. If you have any concerns with our position or require additional information, please do not hesitate to contact me at (303) 389-4153, at your convenience.

Sincerely,



Ron F. Hochstein
President and Chief Executive Officer
International Uranium (USA) Corporation

RFH:mlh

cc: David C. Frydenlund - IUSA



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

CERTIFICATE

I, John D. Hawke, Jr., Comptroller of the Currency, do hereby certify that:

1. The Comptroller of the Currency, pursuant to Revised Statutes 324, et seq., as amended, 12 U.S.C. 1, et seq., as amended, has possession, custody and control of all records pertaining to the chartering, regulation and supervision of all National Banking Associations.
2. Effective May 19, 2000, the title of "Norwest Bank Colorado, National Association," Charter No. 3269, was changed to "Wells Fargo Bank West, National Association."

IN TESTIMONY WHEREOF, I have

hereunto subscribed my name and

caused my seal of office to be affixed

to these presents at the Treasury

Department, in the City of

Washington and District of Columbia,

this 16th day of June, 2000.

John D. Hawke, Jr.

Comptroller of the Currency

