



INTERNATIONAL
URANIUM (USA)
CORPORATION

Independence Plaza, Suite 950 • 1050 Seventeenth Street • Denver, CO 80265 • 303 628 7798 (main) • 303 389 4125 (fax)

March 3, 2004

VIA OVERNIGHT DELIVERY

Mr. Gary Janosko
Fuel Cycle Licensing Branch
Office of Nuclear Materials Safety and Safeguards
U.S. Nuclear Regulatory Commission
Mail Stop T-8A33
2 White Flint North
11545 Rockville Pike
Rockville, MD 20852-2738

Re: International Uranium (USA) Corporation
SUA-1358
Docket No. 40-8681
White Mesa Mill, Blanding, Utah
License Condition Number 9.5 – Surety

Dear Mr. Janosko:

Pursuant to License Condition No. 9.5 of Source Materials License No. SUA-1358, Docket No. 40-8681, and appropriate revisions of 10 CFR Part 40, Appendix A, Criterion 9, please find enclosed two copies of an updated reclamation and decommissioning cost estimate in support of the Surety Bond on the White Mesa Mill.

The attached reclamation estimate is based on the plan approved by License Amendment 15, issued on July 15, 2000. The revised reclamation estimate and surety amount is \$10,618,895, which is an increase from the current surety amount of \$10,522,914. The attached estimate represents a total revision to Attachment C of Revision 3.0 to the approved July 2000 Reclamation Plan.

The revised estimate was based on updated quotes for equipment rental, labor rates, fuel, and subcontractor services. A summary and documentation of the updated unit costs is included with the revised estimate. Revisions to the cost estimate were also calculated for increases in the amount of alternate feed material currently stored on site, specifically an increase in the volume of Linde material and an increase in the amount of Cameco material stored on site. In addition, the estimate takes credit for reclamation work recently completed on Cell 3 in conjunction with cover placement over exposed tailings.

Mr. Gary Janosko
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If you have any questions on the attached revised reclamation and decommissioning cost estimate, please feel free to contact me at (303) 389-4153.

Sincerely,

A handwritten signature in black ink, appearing to be 'R. Hochstein', with a long horizontal flourish extending to the right.

Ron F. Hochstein
President and Chief Executive Officer

Enclosures

cc: William von Till
David C. Frydenlund
T. Kenneth Miyoshi
Ron E. Berg