

RE: 0802-N

January 4, 2008

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U.S. Nuclear Regulatory Commission
ATTN: Mr. Myron Fliegel, Senior Project Manager
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
And Safeguards, NMSS
Two White Flint North
11545 Rockville Pike
Rockville, MD 20852-2738

Subject: Sequoyah Fuels Corporation, Docket – 40-8027
Final Reclamation Plan

Dear Mike,

Please find enclosed with this letter six (6) copies of the final Reclamation Plan for the Sequoyah Facility. This Plan incorporates all the changes that SFC agreed to make in regard to the outstanding issues and confirmatory items that we have discussed since the January 2006 revision.

As you know, SFC has been in arbitration over standby fees from ConverDyn. Until this case is settled, SFC cannot revise the cash flow and schedule presented in the Reclamation Plan. The judge is expected to rule on the arbitration case by the end of January at which time SFC should better understand its cash position. We will keep you apprised of this situation and adjust the cash flow projections as soon as we know what the final outcome will be.

If you have any questions, don't hesitate to call me at (918) 489-5511, ext. 226.

Sincerely,

John H. Ellis
President

Enclosures

XC: Alvin Gutterman, MLB
Rita Ware, EPA

Jeanine Hale, CN
Trevor Hammons, OAG

ENCLOSURE 1
Page Change Instruction

ENCLOSURE 2
Reclamation Plan Changes