



**INTERNATIONAL
URANIUM (USA)
CORPORATION**

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LAB/ASPD

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May 28, 1999

VIA FEDERAL EXPRESS

Mr. Don Ostler, Director
Division of Water Quality
State of Utah Department of Environmental Quality
168 North 1950 West
P.O. Box 144850
Salt Lake City, UT 84114-4850

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OSP

Re: White Mesa Mill Groundwater Information Report

Dear Mr. Ostler:

As contemplated in our letter to you of March 19, 1999, this letter transmits groundwater information regarding the White Mesa Uranium Mill from International Uranium (USA) Corporation ("IUSA") to the Utah Department of Environmental Quality ("UDEQ"), which is the type of information that is normally provided in an application for a Groundwater Discharge Permit ("GWDP").

As detailed in our March 19 letter, IUSA understands that UDEQ has a concern that the NRC's regulatory regime may not protect the groundwater at the Mill to the extent the State believes is required. Although IUSA maintains its position that it is not legally required to have a GWDP, and this submission should not be considered to be an application for a GWDP, we are committed to working with UDEQ to determine what, if any, meaningful differences exist between the current groundwater regime applicable to the Mill under NRC regulations and the State's GWDP program.

To that end, IUSA is following UDEQ's March 12 suggestion to informally submit information typically required for a GWDP. We understand that UDEQ will use this information to draft a suggested form of a GWDP that would satisfy UDEQ's requirements but that would also address IUSA's concerns that were discussed at the meeting. IUSA and UDEQ will then evaluate whether any meaningful differences exist between the two groundwater regimes and, if so, whether they are more appropriately resolved through the issuance of a GWDP, by adding additional conditions to IUSA's NRC license (which is the approach suggested by IUSA), or by some other alternative.

For your ease of reference, the italicized sections in the enclosed Groundwater Information Report are ordered to correspond to sections in the Appendix A, Permit Application Information, of the Ground Water Quality Protection Permit Information

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Document (UDEQ, Division of Water Quality, January 1996) Each item is followed by IUSA's description of the information pertinent to the section which has either previously been submitted, or is being submitted in the Groundwater Information Report.

I can be reached at (303) 389-4131.

Sincerely,



Michelle R. Rehmann
Environmental Manager

MRR:smc

Enclosure

cc: Dianne Nielson, UDEQ
William Sinclair, UDEQ
N. King Stablein, NRC
Mike Fliegel, NRC
Paul Lohaus, NRC
Charles Hackney, NRC
Fred Nelson, Utah Attorney General's Office
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