



40-8681

UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001
February 20, 1997

Mr. Harold Roberts, President
Energy Fuels Nuclear, Inc.
1515 Arapahoe Street, Suite 900
Denver, Colorado 80202

SUBJECT: REVIEW OF RESPONSE TO DECEMBER 26, 1996 DEMAND FOR INFORMATION

Dear Mr. Roberts:

The U.S. Nuclear Regulatory Commission staff has completed its review of Energy Fuels Nuclear, Inc.'s (EFN's) January 23, 1997, response to a Demand for Information (DFI) issued by the NRC staff on December 26, 1996. The DFI was issued as a result of the October 25, 1996, filing with the U.S. Bankruptcy Court for the District of Colorado, by EFN's parent company, Energy Fuels Mining Joint Venture (EFMJV), and two other companies, Energy Fuels, Ltd. and Energy Fuels Exploration Company (collectively, the Energy Fuels Debtors), in a joint motion with their creditors, a request for authorization to sell substantially all of their assets. EFMJV previously had filed a petition with the same U.S. Bankruptcy Court for relief under Chapter 11 of Title 11 of the United States Code. The Energy Fuels Debtors included in the sale assets the White Mesa uranium mill, the Reno Creek project, and NRC Source Material License Nos. SUA-1358 and SUA-1558.

In the DFI, the NRC staff requested information related to EFN's ability to continue to comply with the applicable NRC regulations and the conditions in its licenses, specifically in regards to site access, materials security, facility maintenance, required monitoring, and site reclamation. EFN was also requested to provide information related to (1) the status of site operations at and any impacts on the surety arrangement for the White Mesa mill; and (2) the successful bidder's intent regarding the continued safe operation of the mill and the financial surety for decommissioning and site reclamation of the mill site and disposal of the Reno Creek resins.

Based on its review, the NRC staff considers EFN's responses to the DFI to be adequate and acceptable. No further correspondence concerning the DFI is required of EFN.

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H. Roberts

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If you have any questions concerning this letter, please contact Mr. James Park, NRC Project Manager for the White Mesa site. Mr. Park can be reached at (301) 415-6699.

Sincerely,

(Original signed by)

Joseph J. Holonich, Chief
Uranium Recovery Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Docket Nos. 40-8681, 40-9024
License Nos. SUA-1358, SUA-1558

cc: W. Sinclair, UT
R. Chancellor, WY

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