



energy fuels nuclear, inc.

three park central • suite 900
1515 arapahoe street • denver, colorado 80202

303-623-8317
twx 910-931-2561
fax 303-595-0930

40-8681

VIA FACSIMILE (301) 415-5397

April 28, 1997

Charles L. Cain, Acting Chief
United States Nuclear Regulatory Commission
Uranium Recovery Branch
Division of Waste Management
Office of Nuclear Material Safety and Safeguards
Washington, DC 20555-0001

Re: White Mesa Mill Source Materials License SUA-1358
Amendment 1 to Source Materials License SUA-1358
Confidentiality Claim

Dear Mr. Cain:

This letter concerns the above referenced amendment to the Source Materials License for the White Mesa Mill. Amendment 1 was approved in response to an amendment application (the "Amendment Application") submitted by Energy Fuels Nuclear, Inc. ("EFN") dated March 5, 1997. Amendment 1 allows EFN to receive and process a specific type and quantity of uranium bearing material at the White Mesa Mill.

I requested, on behalf of EFN, that certain information about the uranium bearing material be kept confidential in accordance with the provisions of 10 CFR 2.790(b) and §63.2 of the Government Records and Access Act. As explained in the Affidavit that I filed with the Amendment Application, EFN considers the mechanism by which, and the parties from whom, it obtains alternative feedstocks confidential. We sought to keep information that would allow competitors to readily identify the acquisition mechanism and identity of the current owner of the material confidential under applicable NRC rules to maintain the business/economic advantage that we have developed in relation to other competitors.

I acknowledged in my Affidavit that other public agencies, such as the Department of Energy, had data related to the uranium bearing material and we did not seek nor expect that these agencies would attempt to classify such data as confidential. As explained in my Affidavit however, industry reporters and our competitors generally monitor our activity through review of Commission documentation so the logical place to seek protection of our competitive advantage is with the Commission. Contrary to recent assertions, our motivation in seeking the confidentiality protection was not to keep the history of the uranium bearing material secret but rather to preserve our economic advantage by preventing our competitors from using our Amendment Application as an "how to book" or the subject of obtaining economic arrangements for alternative feedstocks.

public
Apr 30 Fridley
NL05/1

9705080096 970428
PDR ADOCK 04008681
C PDR



Charles Cain
United States Nuclear Regulatory Commission
April 28, 1997
Page 2

While the Commission has maintained the confidentiality of the requested aspects of the Amendment Application, during the last two weeks some items related to the confidential information have become the subject of public comment through other sources. The public comment does not change EFN's belief that its competitive advantage qualifies for protection and that the information claimed as confidential does in fact qualify for confidential treatment under the applicable regulations.

However, to allow a full and fair evaluation of accurate information concerning the uranium bearing material and the basis for the approval of Amendment 1, EFN hereby withdraws and terminates its application that the information identified in my Affidavit be maintained as confidential by the Commission. EFN acknowledges that this termination results in the information provided to the Commission in conjunction with the consideration and approval of Amendment 1 being subject to the normal Commission public information treatment under 10 CFR §2.790(a). I hereby certify to the Commission that I have been specifically authorized to make this withdrawal/termination of the confidential information request on behalf of EFN.

Please be advised that this withdrawal/termination does not apply to any other amendment applications that have been or will be filed with the Commission that seek to have certain information contained therein protected as confidential information. We understand that a request for confidentiality will be reviewed by the Commission on a case by case basis under the provisions of 10 CFR §2.790.

Please feel free to contact Harold Roberts, Michelle Rehmann or me with any questions or comments.

Sincerely,



Rich A. Munson
Corporate Counsel

RAM/dpb

cc: Harold R. Roberts
Michelle R. Rehmann
Earl E. Hoellen