



Rio Algom

William Paul Goranson, P.E.
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March 7, 2000

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RETURN RECEIPT REQUESTED

U.S. Nuclear Regulatory
ATTN: Document Control Desk
Washington, D.C. 20555

Subject: Reply to a Notice of Violation
License No.: SUA-1548
Docket No.: 40-8964
Smith Ranch Facility

To Whom It May Concern:

Rio Algom Mining Corp. is replying to a Notice of Violation dated February 11, 2000. Attached to this letter is the response to the Notice of Violation from Rio Algom Mining Corp.

The Notice of violation cites that Rio Algom failed to follow the requirements of license conditions 9.10 and 10.12 requiring the use of written Standard Operating Procedures, (SOP), or where an SOP is not in place, a Radiation Work Permit (RWP) must be implemented. In general, Rio Algom is not disputing the reason for violation nor the severity of the violation. Rio Algom has instituted corrective actions to bring the facility in to compliance with the license conditions.

If you have any questions, please call me at (405) 858-4807.

Sincerely,

William Paul Goranson, P.E.
Manager, Radiation Safety, Regulatory
Compliance and Licensing

Enclosures

CC: Regional Administrator, U.S. Nuclear Regulatory Commission, Region IV, 611 Ryan
Plaza, Suite 400, Arlington, TX 76011 (Cert. Mail: Z 277 714 087)
Thomas Essig, U.S. Nuclear Regulatory Commission, (Cert. Mail: Z 261 342 820)
John L. ← Georgia Cash, Wyoming Dept. of Environmental Quality - Land Quality Division
Marvin Freeman, Rio Algom Mining Corp.
Bill Ferdinand, Rio Algom Mining Corp.
John McCarthy, Rio Algom Mining Corp.
John Cash, Rio Algom Mining Corp.

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RIO ALGOM MINING CORP.
NRC Inspection Report 40-8964/00-01 and Notice of Violation

Response to NRC Inspection Violation
Letter Dated February 11, 2000

1 Notice of Violation

"During an NRC inspection conducted on January 10-13, 2000, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1 600 the violation is listed below:

License Condition 9.10 states, in part, that written standard operating procedures (SOP) shall be established for all operational activities involving radioactive materials that are handled, processed, stored, or transported by employees. SOPs for operational activities shall enumerate pertinent radiation safety practices to be followed. In addition, written procedures shall be established for non-operational activities to include in-plant and environmental monitoring.

License Condition 10.12 states, in part, that for work where the potential for exposure to radioactive material exists and no SOP exists, a radiation work permit (RWP) shall be required.

Contrary to the above, from July through December 1999, eight spill events occurred onsite involving 98,330 gallons of production or injection liquids containing low-levels of radioactive material. Without an SOP or RWP, workers repaired equipment; processed, stored, and transported radioactive material; and conducted environmental monitoring associated with all eight spill recovery operations.

This is a Severity Level IV violation, (Supplement VI)."

Rio Algom Response to Notice of Violation

Rio Algom Mining Corp. does not dispute the severity of or the reason for the violation. However, Rio Algom does feel it is necessary to state that personnel exposure histories of employees performing the corrective action work in response to the cited spills showed no adverse or increased exposure resulting from the execution of the work. Additionally, environmental measurements of the areas affected by the spills showed no adverse effects. Therefore, Rio Algom believes that though the required SOP or RWP was not in place for the corrective action work for the equipment and area affected by the spill, neither human health nor the environment were adversely affected by the lack of a written SOP or an RWP.

2. Corrective Steps that have been taken and results achieved.

Rio Algom Mining Corp. directed the line supervisors to initiate RWP's for all corrective actions related to future spills in the wellfield and plant areas and to assess any potential radiological hazards prior to implementation of the corrective action to restore operations after the spill.

3. Corrective Steps that will be taken to avoid further violations

Rio Algom Mining Corp. will continue to use an RWP where an SOP has not been developed for use in order to assess the potential hazards inherent in the work areas related to radioactive material. Rio Algom is assessing areas in the operations where an SOP would be an appropriate administrative control to recover operations from spills in the wellfield and in the plant areas.

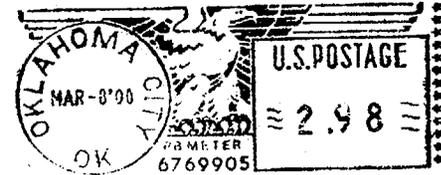
4. Date when full compliance was achieved.

Full compliance was achieved on January 13, 2000.



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MAIL

Mr. Thomas Essig, Branch Chief
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Division of Waste Management
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