



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064**

April 21, 2000

Paul Gorenson, Manager,
Radiation Safety, Regulatory Compliance and Licensing
Rio Algom Mining Corporation
6305 Waterford Blvd., Suite 325
Oklahoma City, OK 73118

SUBJECT: RESPONSE TO NRC INSPECTION REPORT 40-8964/0001 AND NOTICE OF VIOLATION

Dear Mr. Gorenson:

This refers to your letters of March 7 and 29, 2000, in response to our February 11, 2000, letter transmitting the subject inspection report and Notice of Violation. We have reviewed your March 7 reply and find it responsive to the concerns raised in our Notice of Violation. We will review the implementation of your corrective actions during a future inspection to determine that full compliance has been achieved and will be maintained.

Concerning your supplemental response letter of March 29, we acknowledge your comments and clarification. We especially welcome the results of the water and soil sample analyses you provided on the spill that occurred in December 1999 and January 2000, which were not available for review during our inspection. Should you have any questions in regard to these issues, please contact Dr. D. Blair Spitzberg at (817) 860-8191 or Louis C. Carson II at (817) 860-8221 of my staff.

Sincerely,

/RA/

*Dwight D. Chamberlain, Director
Division of Nuclear Material Safety*

*Docket No.: 40-8964
License No.: SUA-1548*

*cc w/copies of licensee letters dated 03/07 & 03/29/00:
Mr. Bill Ferdinand, General Manager
Rio Algom Mining Corporation
Smith Ranch Project
P.O. Box 1390
Glenrock, Wyoming 82637-1390*

Mr. Pat Mackin, Assistant Director
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Wyoming Department of Environmental Quality
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122 West 25th
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Georgia A. Cash
District I Supervisor
Land Quality Division
Herschler Building - Third Floor West
122 West 25th
Cheyenne, Wyoming 82002

Wyoming Radiation Control Program Director

E-Mail report w/copies of licensee ltrs dtd 03/07 & 03/29/00 to Control Desk (DOCDESK)

bcc w/copies of licensee ltrs dtd 03/07 & 03/29/00 to DCD (IE07)

bcc w/copies of licensee ltrs dtd 03/07 & 03/29/00 distrib. by RIV:

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TH Essig, NMSS/DWM/URB (T 7 J9)

JLusher, NMSS/DWM/URB (T 7 J8)

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DB Spitzberg

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