#### April 28, 2000

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

SUBJECT: SITE VISIT TO SMITH RANCH *IN SITU* LEACH URANIUM EXTRACTION FACILITY, CONVERSE COUNTY, WYOMING

Dear Mr. Newton:

As we previously discussed telephone, the U.S. Nuclear Regulatory Commission is undertaking a study of *in situ* leach (ISL) facilities for the purpose of identifying which portions of an ISL operation carry a potential risk to worker safety, public safety, and the environment. The study will also evaluate and, if possible, quantify the identified risks; along with the magnitudes of the potential consequences if an exposure were to occur. We are undertaking this study as a means of implementing the Commission's goal of applying more risk-informed, performance-based regulation of NRC-licensed activities. The study is needed for us to credibly determine whether the regulatory oversight of specific aspects of ISL operations should be decreased or emphasized, commensurate with the risk and potential consequences.

This study is being performed by the Center for Nuclear Waste Regulatory Analyses (CNWRA), under a non-fee recoverable contract to the NRC. The CNWRA staff will be examining information from all NRC-licensed ISL facilities. We anticipate the study will be completed around the end of the 2000 calendar year, and a report of the findings will be released to the public shortly thereafter.

We greatly appreciate your willingness to assist us in this study by allowing our contractor and two NRC representatives to tour your facility for general familiarization of ISL operations, and providing process-related and mechanical information that is normally not included in our licensing and inspection programs. We are planning to visit your site on the afternoon of May 16, 2000. We will also be visiting the PRI Highland facility in the morning of the same day. Enclosed are a list of visitors, and specific information identified by the CNWRA that will be needed to assist in the study. It would be most helpful if the information in Enclosure 2 would be available for viewing at the time of our site visit.

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If you have any questions concerning this study or the planned site visit, please contact the NRC Technical Project Manager, Michael Layton, at (301) 415-6676 or e-mail at mcl@nrc.gov.

Sincerely,

#### /RA/

Thomas H. Essig, Chief Uranium Recovery and Low-Level Waste Branch Division of Waste Management Office of Nuclear Material Safety and Safeguards

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

Enclosures: 1. ATTENDEES FOR IN SITU LEACH FACILITY SITE VISIT, MAY 16, 2000

2. LIST OF INFORMATION NEEDS FOR IN SITU LEACH SITE VISITS

cc: Patrick Mackin - CNWRA

If you have any questions concerning this study or the planned site visit, please contact the NRC Technical Project Manager, Michael Layton, at (301) 415-6676 or e-mail at mcl@nrc.gov.

Sincerely,

/RA/

Thomas H. Essig, Chief
Uranium Recovery and
Low-Level Waste Branch
Division of Waste Management
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