



# Rio Algom

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CERTIFIED MAIL

September 10, 2001

Ms. Jill Caverly  
Fuel Cycle Licensing Branch, NMSS  
U.S. Nuclear Regulatory Commission  
11545 Rockville Pike, Mail Stop T7-J8  
Two White Flint North, Mail Stop T- 7J9  
Washington DC 20555

Dear Ms. Caverly:

Re: NRC License No. SUA-1473 / 40-8905

Quivira Mining Company (QMC) will be involved in an internal corporate re-structuring change in late September or early October. QMC will be merged into its immediate corporate parent, Rio Algom Mining Corp. (RAMC) and the combined RAMC/QMC will be moved to a new BHP Billiton subsidiary. RAMC's corporate officers, directors, offices, assets, liabilities, and ultimate parent will remain unchanged. Our reclamation surety arrangement will also remain unaffected and unchanged except for any required administrative changes related to the revised corporate structure.

Based on NUREG -1556 Volume 15, we do not believe the corporate re-structuring is a "Change of Control" under that guideline as our circumstances closely parallel the "No Change of Control" example 2 provided in Appendix D (page D-4). However to assist NRC in evaluating our status, we have provided information on each of the "Response from the Licensee" items listed in Chapter 5 Sections 5.1 through 5.6 as an attachment to this letter.

Presently, RAMC's ultimate corporate parent is BHP Billiton Plc., a UK corporation; and its immediate corporate parent is NAMD, Inc. (NAMD). It is intended to dissolve NAMD and distribute its RAMC shares to NAMD's immediate parent, Billiton Investments Ireland Limited. Preliminary to this, RAMC will merge with a new Delaware Limited Liability Corporation (LLC), and continue as Rio Algom Mining LLC, which will then be 100% owned by Billiton Investments Ireland Limited.

All of the changes involving QMC and RAMC are internal to BHP Billiton. We, therefore, would anticipate providing NRC with a name change amendment request once this is accomplished. If NRC has other requirements, please let me or Marvin Freeman know.

Sincerely,

Paul Goranson

PG/MDF:kb

cc: Marvin Freeman  
Terry Fletcher/Peter Luthiger

NMSS01P0242

**ATTACHMENT A  
CHANGE OF CONTROL INFORMATION  
NRC LICENSE SUA-1473  
AMBROSIA LAKE, NEW MEXICO**

**Response from the Licensee:** Information described in Sections 5.1 through 5.6 as "Response from Licensee" are listed below followed by the responses regarding the planned corporate re-structuring.

**5.1 DESCRIPTION OF TRANSACTION**

**a) Description of transaction**

*Quivira Mining Company. (QMC) will be involved in an internal corporate re-structuring in late September or early October. QMC will be merged into its immediate corporate parent, Rio Algom Mining Corp.(RAMC) and the combined RAMC/QMC will be moved into a new BHP Billiton subsidiary. RAMC's corporate officers, directors, offices, assets, liabilities, and ultimate parent will remain unchanged. The reclamation surety arrangement will also remain unaffected and unchanged except for any required administrative changes related to the revised corporate structure.*

*Presently, RAMC's ultimate corporate parent is BHP Billiton Plc., a UK corporation; and its immediate corporate parent is NAMD, Inc. (NAMD), a Delaware corporation. It is intended to dissolve NAMD and distribute its RAMC shares to NAMD's immediate parent, Billiton Investments Ireland Limited. Preliminary to this, RAMC will merge with a new Delaware Limited Liability Corporation (LLC) and continue as Rio Algom Mining LLC, which will then be 100% owned by Billiton Investments Ireland Limited. All of the changes involving QMC and RAMC are internal to BHP Billiton.*

**b) New name, if applicable**

*New name will be Rio Algom Mining LLC.*

**c) New licensee contact(s), including names and phone numbers**

*All licensee contacts and phone numbers will remain the same as no changes are being made to licensee's corporate officers, management, or radiation safety personnel nor are any changes being made in the facility management and Radiation Safety Officer positions.*

**5.2 CHANGES OF PERSONNEL**

**a) Training and experience of new individuals to be listed on the NRC license**

*There will be no new individuals listed as the management and safety personnel currently listed on the NRC license will remain in their respective positions.*

**5.3 CHANGES OF LOCATION, EQUIPMENT & PROCEDURES**

**a) Describe changes in the organization that exercises control over the licensed program**

*There will be no changes in the organization that exercises control over the licensed program.*

**b) Describe changes in place of use, including potentially affected adjacent areas, as required**

*There will be no changes in the place of use or the potentially affected adjacent areas.*

**c) Describe changes in facilities where licensed material is to be used or stored**

*There will be no changes in the facilities where licensed material is used or stored.*

**d) Describe changes in equipment to be used in the licensed program**

*There will be no change in equipment used, except for possible changes not related to the corporate re-structuring but that occur in the normal course of business and are authorized by the current license.*

**e) Submit relevant procedural changes**

*There will be no procedural changes resulting from the corporate re-structuring.*

**f) Describe changes in personnel, particularly those requiring a license amendment or notification regardless of the change of control**

*No changes in personnel are planned or expected from the corporate re-structuring.*

## **5.4 SURVEILLANCE RECORDS**

**a) Submit a statement that all required surveillance has been performed, documented and reviewed, including the results, if appropriate**

*All required surveillance has been performed, documented, and reviewed and will continue to be performed, documented, and reviewed by the personnel currently responsible for performing these activities.*

**b) If surveillance items are not or will not be completed, the reasons, any corrective actions, and/or the date these corrective actions will be completed, should be submitted to NRC**

*All surveillance items will be completed on schedule and the performance of those activities will not be affected by the corporate re-structuring.*

## **5.5 DECOMMISSIONING AND RELATED RECORDS TRANSFERS**

**a) Describe the method and proposed timetable for the transfer of required records**

*All required records will continue to be maintained and no transfers are required by the corporate re-structuring.*

**b) Provide a commitment by the transferee to maintain the records received from the transferor**

*QMC management and radiation safety personnel and Rio Algom Mining LLC management and radiation safety personnel will be the same personnel. Rio Algom Mining LLC management and radiation safety personnel are, and will be, committed to the proper maintenance of all records required by the license.*

**c) Provide a description of the facility with regard to contamination and ambient radiation levels**

*The facility consists of a uranium mill facility, a ion exchange facility, two large tailings impoundments and several lined evaporation ponds. Surface contamination levels and ambient radiation levels are minimal in areas outside the mill building as all tailings have been stabilized, contoured, covered with a radon barrier and most cases covered with a layer of protective rock. There is a groundwater corrective action program ongoing at the site because the down dip alluvium and some shallow bedrock units were impacted by seepage from unlined tailing impoundments and evaporation ponds. These data and impacts are documented in the Groundwater Corrective Action Plans, the Tailings Reclamation Plans, and the Semi-Annual Effluent Reports and the Annual ALARA Reports previously submitted to NRC under this license.*

**d) Describe any decontamination to prepare the facility for decommissioning prior to the change of control**

*The decontamination to date to prepare the facility for final decommissioning at some future date have been concentrated on closure of the unlined tailings impoundments, closure of the unlined evaporation ponds, and implementing the groundwater corrective action programs. The tailings have been stabilized, contoured, covered with a radon barrier, and in most cases covered with the final rock layer. The unlined evaporation ponds have been taken out of service, dried, cleaned of most removable contaminants, covered with clean soil and contoured to the surrounding area; however this work is not finished. The groundwater corrective action program has been ongoing for several years and is believed to have achieved its objectives. Applications for groundwater Alternate Concentration Limits have been submitted to NRC for review and approval.*

**e) If decommissioning will not occur until after the change of control, describe any contamination and confirm that the transferee is knowledgeable of the extent and levels of contamination and applicable decommissioning requirements**

*There are no changes planned or expected in the corporate or facility management and radiation safety personnel due to the corporate re-structuring. These personnel are knowledgeable of the extent and levels of contamination at the facility.*

**5.6 TRANSFEE'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS**

**a) An agreement to abide by all constraints, license conditions, requirements, representations, and commitments identified in and attributed to the existing license (or) a description of the transferees' program to ensure compliance with the license and regulations**

*Rio Algom Mining LLC and its management do and will agree to abide by all constraints, license conditions, requirements, representations, and commitments in the existing license.*

**b) A description of action to be taken to resolve open inspection and enforcement issues**

*There are no open inspection or enforcement issues related to the licensed facility.*