



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

April 10, 2002

Docket No. 04008980

License No. SMB-1541

John F. Lord
Site Manager
Heritage Minerals, Inc.
One Hovchild Plaza
4000 Route 66
Tinton Falls, NJ 07753

SUBJECT: ORISE CONFIRMATORY SURVEY REPORT

Dear Mr. Lord:

Our February 14, 2002, letter to you provided preliminary results from the December 2001 confirmatory survey performed by our contractor, the Oak Ridge Institute for Science and Education (ORISE). The survey results showed that remediated areas identified in your Final Status Survey did not meet the NRC's guidelines for unrestricted release. As discussed with you during our February 26, 2002, site visit, we are concerned about residual contamination remaining in the pile area and on surface structures in mill buildings. We are also in receipt of your March 26, 2002, response to our February 14, 2002, letter in which you acknowledge that additional contamination remains in these areas.

Enclosed is the final ORISE report which includes an analysis of your Final Status Survey and measurements of selected areas around the site. We request a response to the issues raised in the section of the report entitled, "Findings and Results". The response should propose a work plan and schedule to ensure contaminated material is adequately removed from designated areas. Attention should be given to finalizing remediation activities for licensed material within the monazite pile and in mill buildings to meet NRC unrestricted release guidelines.

Your March 26, 2002, letter provided additional detail about activities in the mills and disposal of material in the pile area from previous operations. In order to complete the remediation of licensed material, you indicated that process history information will be developed to further characterize areas in question so that site locations of HMI-generated contamination can be properly identified. We believe that historical information will be beneficial in assessing the amount of licensed residual material remaining onsite. Please notify us of the results of your investigation when completed.

Concerns raised in your March 26, 2002, letter over jurisdiction of material and your revised sampling plan are under NRC review. Information about the procedures used by ORISE for radiological surveys and laboratory analysis may be found in their technical manual at <http://www.ornl.gov/essap/techman.htm>.

Note that since site decommissioning is currently incomplete, we are reviewing the timeliness of remediation efforts following decommissioning plan approval on October 19, 1999, as they

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relate to the requirements of 10 CFR 40.42(h). Your request for exemption or extension to these requirements does not provide sufficient information to determine whether NRC action is necessary. If you wish to pursue an exemption for an alternate schedule, you must provide the required information specified in 10 CFR 40.42(h)(2)(i).

You also indicate that HMI is investigating the feasibility of dismantling the wet and dry mills. We believe it would be beneficial to meet and discuss possible proposals for near-term activities for the mills, and also the pile area, which address the required remediations prior to license termination. As you discussed with Craig Gordon, the meeting will be held on April 23, 2002, in the Region I office at 10:00 a.m.

Should you have any questions about the ORISE report, please contact me or Craig Gordon. Thank you for your cooperation.

Sincerely,

/RA/

Ronald R. Bellamy, Chief
Decommissioning and Laboratory Branch
Division of Nuclear Materials Safety

Enclosure: ORISE Confirmatory Survey Report

cc: Anthony J. Thompson, Esquire
Nancy Stanley, NJDEP
The Honorable Michael Fressola, Mayor, Manchester Twp.

J. Lord
Heritage Minerals, Inc.

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