

BROOKS RUN MINING COMPANY, LLC

**25 Little Birch Road
Sutton, WV 26601
304-765-4006**

February 26, 2003

Nuclear Regulatory Commission
Region II
Sam Nunn Atlanta Federal Center
61 Forsyth Street, SW Suite 23T85
Atlanta, GA 30303-8931
Attn: Janice H. Kirby

Re: NRC Materials License No. 47-25581-01

Dear Ms. Kirby:

On February 13, 2003 COASTAL COAL-WEST VIRGINIA, LLC, a Delaware Limited Liability Company, the holder of the above-referenced license, changed it's name to BROOKS RUN MINING COMPANY, LLC. The new mailing address for all correspondence is:

Brooks Run Mining Company, LLC
25 Little Birch Road
Sutton, WV 26601

Phone: 304-765-4006
FAX: 304-765-0390

The physical location of the licensed facility remains:

Brooks Run Mining Company, LLC
Preparation Plant No. 1
61 Missouri Run Road
Cowen, WV 26206

Phone: 304-226-5391
Ext. 216
FAX: 304-226-5976

Our company no longer employs the Radiation Safety Officer (RSO) listed in our license, Joe Myers. The new RSO is Kerry Holliday. Mr. Holliday has been trained according to 10 CFR and NUREG 1556, Volume 4. A copy of his training certificate is attached. Mr. Holliday has worked with the licensed Thermo Gamma-Metrics Model CB-HI Cross-Belt Elemental Analyzer since it's installation and start-up in March, 2002.

The licensed facility was inspected and a leak test was performed by David M. Milam of Thermo Gamma-Metrics on January 24, 2003. Test Results are on file at the site. Future tests will be scheduled on 6-month intervals.

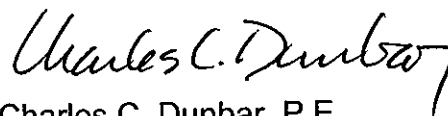
All files and records pertaining to the licensed program remain at the site office under the care and control of the Radiation Safety Officer.

Brooks Run Mining Company, LLC will continue to abide by all constraints, conditions, requirements and commitments of the current licensed program.

If you have any questions or need additional information, please contact me at 304-765-4006.

Respectfully,

Brooks Run Mining Company, LLC

A handwritten signature in black ink, reading "Charles C. Dunbar". The signature is written in a cursive style with a large, stylized "D" and a long, sweeping tail.

Charles C. Dunbar, P.E.
Chief Engineer

Attachments

Thermo Gamma-Metrics

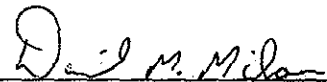
Having successfully completed the necessary course of instruction this certifies that:

Kerry Holiday
of
Brooks Run Mining Company

Has been instructed, tested and is qualified in Basic Radiation Safety standards for Authorized Users philosophy in accordance with all applicable regulations of 10 CFR and NUREG 1566 volume 4 for the:

Thermo Gamma-Metrics ECa

Given this date under my hand:
24 January 2003



David M. Milam
Field Service Engineer
Thermo Gamma-Metrics

COPY**MATERIALS LICENSE**

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee

1. Coastal Coal - West Virginia LLC

3. License No. 47-25581-01

2. 61 Missouri Run Road
Cowen, West Virginia 26206

Expiration Date: March 31, 2012

5. Docket No. 030-35906

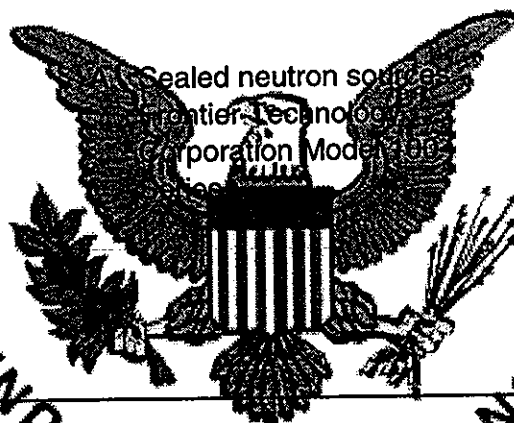
6. Byproduct, source, and/or special nuclear material

7. Chemical and/or physical form

8. Maximum amount that licensee may possess at any one time under this license

A. Californium 252

A. No single source to exceed that specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission or an Agreement State



9. Authorized use:

- A. For elemental analysis of coal in Thermo Gamma-Metrics Model CB-HI Cross-Belt elemental analyzer fixed gauging devices in accordance with the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or with an Agreement State, and which have been distributed in accordance with a Commission or Agreement State specific license authorizing distribution to persons specifically authorized by a Commission or Agreement State license to receive, possess, and use the devices.

CONDITIONS

10. Licensed material may be used only at the licensee's facilities located at 61 Missouri Run Road, Cowen, West Virginia.
11. Licensed material shall be used by, or under the supervision of individuals who have received the training described in the application dated December 18, 2001 and accompanying the letter received March 6, 2002.

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12. A. The Radiation Safety Officer (RSO) for this license is Joe Myers.
- B. Before assuming the duties and responsibilities as RSO for this license, the individual shall have successfully completed the training described in Criteria in Section 8.7.1 of NUREG-1556, Volume 4, dated October 1998.
13. A. Sealed sources shall be tested for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State.
- B. In the absence of a certificate from a transferor indicating that a leak test has been made within the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State, prior to the transfer, a sealed source received from another person shall not be put into use until tested and the test results received.
- C. Sealed sources need not be tested if they are in storage and are not being used. However, when they are removed from storage for use or transferred to another person and have not been tested within the required leak test interval, they shall be tested before use or transfer. No sealed source shall be stored for a period of more than 20 years without being tested for leakage and/or contamination.
- D. The leak test shall be capable of detecting the presence of 185 becquerels (Bq) (0.005 microcurie) of radioactive material on the test sample. If the test reveals the presence of 185 Bq or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission in accordance with 10 CFR 30.50(c)(2), and the source shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations.
- E. Tests for leakage and/or contamination, limited to leak test sample collection, shall be performed by the licensee or by other persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services. The licensee is not authorized to perform the analysis; analysis of leak test samples must be performed by persons specifically licensed by the Commission or an Agreement State to perform such services.
14. Sealed sources containing licensed material shall not be opened or sources removed from source holders by the licensee.
15. The licensee shall conduct a physical inventory every six months, or at other intervals approved by the U.S. Nuclear Regulatory Commission, to account for all sources and/or devices received and possessed under the license.

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16. A. Each gauge shall be tested for the proper operation of the on-off mechanism (shutter) and indicator, if any, at intervals not to exceed six months or at such longer intervals as specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission pursuant to 10 CFR 32.210 or the equivalent regulations of an Agreement State.
- B. Notwithstanding the periodic on-off mechanism (shutter) and indicator test, the requirement does not apply to gauges that are stored, not being used, and have the shutter lock mechanism in a locked position. The gauges exempted from this periodic test shall be tested before use.
17. The following services shall not be performed by the licensee: installation, initial radiation surveys, relocation, removal from service, dismantling, alignment, replacement, disposal of the sealed source and non-routine maintenance or repair of components related to the radiological safety of the gauge (i.e., the sealed source, the source holder, source drive mechanism, on-off mechanism (shutter), shutter control, shielding). These services shall be performed only by persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services.
18. The licensee may initially mount a gauge in a location permitted by the certificate of registration issued by the U.S. Nuclear Regulatory Commission or an Agreement State, and under the following conditions:
- A. The gauge must be mounted in accordance with written instructions provided by the manufacturer;
- B. The gauge must be mounted in a location compatible with the "Conditions of Normal Use" and "Limitations and/or Other Considerations of Use" in the certificate of registration issued by the U.S. Nuclear Regulatory Commission or an Agreement State;
- C. The on-off mechanism (shutter) must be locked in the off position, if applicable, or the source must be otherwise fully shielded;
- D. The gauge must be received in good condition (i.e., package was not damaged).
- E. The gauge must not require any modification to fit in the proposed location.

Mounting does **not** include electrical connection, activation, or operation of the gauge. The source must remain fully shielded and the gauge may not be used until it is installed and made operational by a person specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such operations.

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19. A. The licensee may maintain, repair, or replace device components that are **not** related to the radiological safety of the device and that do not result in the potential for any portion of the body to come into contact with the primary beam or in increased radiation levels in accessible areas.
- B. The licensee may **not** maintain, repair, or replace any of the following device components: the sealed source, the source holder, source drive mechanism, on-off mechanism (shutter), shutter control, or shielding, or any other component related to the radiological safety of the device, except as provided otherwise by specific conditions of this license.
20. Prior to initial use and after installation, relocation, dismantling, alignment, or any other activity involving the source or removal of the shielding, the licensee shall assure that a radiological survey is performed to determine radiation levels in accessible areas around, above, and below the gauge with the shutter open. This survey shall be performed only by persons authorized to perform such services by the U.S. Nuclear Regulatory Commission or an Agreement State.
21. The licensee shall operate each gauge containing licensed material, within the manufacturer's specified temperature and environmental limits such that the shielding and shutter mechanism of the source holder are not compromised.
22. The licensee shall assure that the shutter mechanism on each device containing licensed material, is locked in the closed position during periods when a portion of an individual's body may be subject to the direct radiation beam. The licensee shall review and modify, as appropriate, its "lock-out" procedures whenever a new device is obtained to incorporate the device manufacturer's recommendations.
23. Except for maintaining labeling as required by 10 CFR Part 20, or 71, the licensee shall obtain authorization from the U.S. Nuclear Regulatory Commission before making any changes in the sealed source, device, or source-device combination that would alter the description or specifications as indicated in the respective certificate of registration issued either by the Commission pursuant to 10 CFR 32.210 or by an Agreement State.
24. In addition to the possession limits in Item 8, the licensee shall further restrict the possession of licensed material to quantities below the minimum limit specified in 10 CFR 30.35(d) for establishing decommissioning financial assurance.
25. The licensee is authorized to transport licensed material in accordance with the provisions of 10 CFR Part 71, "Packaging and Transportation of Radioactive Material."

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26. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.

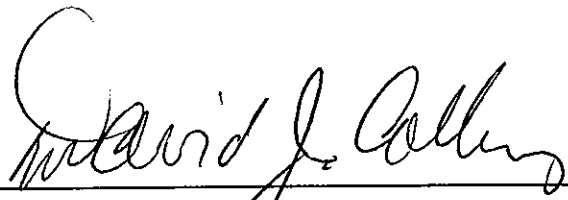
A. Application dated December 18, 2001.

B. Letter dated :

1) Fax received March 6, 2002 [additional information per NUREG-1556 V4]

Date MAR 14 2002

BY


David J. Collins
Region II, Division of Nuclear Materials Safety
61 Forsyth Street, SW, Suite 23T85
Atlanta, Georgia 30303-8931