Rio Algom Mining LLC Ambrosia Lake Facility

May 23, 2005 Public Meeting Denver, Colorado

Agenda

- Lined Pond Relocation Plan
- ACL Application
- Soil Plan RAI
- Future Submittals

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Lined Pond Relocation Plan

- NRC Submits Draft EA to New Mexico March 25, 2005
 - NRC Requested Comments
 - 30 Day Comment Period

• Status of Plan ?

ACL Application

- NRC Requests RAM to Address Non-Hazardous Constituents
- RAM Responds to NRC Request
 - RAM Proposed State Approved Groundwater Standards
- RAM Reassessing Non-Hazardous Constituents to Minimize Duplication With NMED
- Revised RAM Proposal to be Submitted to NRC by June 30, 2005.
- NRC Review Process

Soil Plan RAI

- Pond 3 (RAI 1)
 - Reclamation Plan
 - Surety
 - Adequacy of Cover
- RAM Response
 - L/C 37.E Addresses Pond 3 Reclamation
 - Amendment #54 Revised Surety for Site
 - Pond 3 Included \$0.9M
 - Need for Engineered Cover Contingent on Placed Materials
 - Ra-226 Concentrations < 10 pCi/g
 - Th-230 Concentrations Minimal

- Source Characterization Data (RAI 2)
 - Lined Ponds
 - Mill Area
 - Windblown Area
- RAM Response
 - Collection of Lined Pond Characterization Data Not Practicable Until Ponds Removed
 - Mill Area Accessible Following Demolition
 - Map Depicts Generalized Presentation of Zones

- Cultural Properties (RAI 3)
 - Approvals
 - Locations / Size
- RAM Response
 - Coordinating With Archaeological Consultant
 - Confirm Site Importance Prior to Disturbance
 - Field Excavation
 - Proposed Plan Appropriate

- Use Mean for Site Background Values (RAI 4)
- RAM Response
 - Effect of lowering background Ra-226 from 2.3 pCi/g to 2.0 pCi/g is relatively small
 - RAM Will Use Mean Concentrations as Background
 - Revised Soil Clean-up Level of 7.0 pCi/g Reduces the Gamma Guideline Value From 30,300 cpm to 29,000 cpm

• Justify Proposed Th-230 Clean-up Limit of 30 pCi/g (RAI – 5)

- RAM Response
 - RAM Will Establish a 14.3 pCi/g Clean-up Level for Th-230 in Top 15 cm of Soil
 - RAM Will Establish a 42.9 pCi/g Clean-up Level for Th-230 in Successive 15 cm of Soil Below Top Layer

• Justify Proposed ARC Approach in Halos (RAI –6)

- RAM Response
 - Additional Clarification Requested
 - Plan Included All Unlined Ponds in Justification for ARC

• ARC Justification (RAI – 7)

- RAM Response
 - RAM Agrees With NRC Request RAMs Original Intent
 - RAM Assumes That This Will Not Delay Approval of Other Areas

• Disposition of Section 4 Pond Area Upon Transfer (RAI – 8)

• RAM Response

- Section 4 Proposed to be Released for Unrestricted Use

• Closure of Pond 7 and Pond 8 (RAI – 9)

RAM Response

- Work Performed in 2001 2002:
 - Ponds Excavated or Contoured to Final Grade
 - Minimum of One Foot of Cover Placed (avg. 1.5 feet)
 - SM/SC/CL Material Used
 - Revegetated Cover

- Pond 8 Reclamation (RAI-10)
- RAM Response
 - Based on NRC Inspection & Independent Sampling
 - RAM and NRC Data Supported Acceptable Clean-up
 - NRC Approved Reclamation 1988
 - Cover Placed and Revegetated
 - Wind Effects and 1997 Storm Event Eroded Cover in Areas
 - Response Actions
 - Additional Excavation, Contour and Placement of Cover (RAI-9)
 - Propose ARC Due to Deep Contamination

- Windblown Milestone Date (RAI-10)
- RAM Response
 - License Condition 40.A
 - Requires **Retrieval and Placement** on the Pile by Dec. 1998
 - Retrieval and Placement on the Pile Completed by Nov. 1998
 - RAM Requests Milestone Extension to Resolve Verification Issues
 - Revision to Criterion 6
 - NRC Performs Verification Survey Nov. 1999
 - Revision to Plan Required to Address Findings

• Soil Mixing (RAI – 11)

- RAM Response
 - Soil Mixing Will Not be Utilized

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- Instrumentation (RAI-12)
- RAM Response
 - Identical Instrumentation Used for Verification of Compliance and Gamma Correlation (Soil Plan pp. 55 & 63)

Soil Sampling of Other Areas (RAI – 12)

RAM Response

- Excavations/Trenches
 - 1 Sample Every 100 m²
 - Suspect Areas (Damp Soil, etc..)
- Section 4 Pond Area
 - Same as Windblown Areas

- Quality Assurance Project Procedure (RAI 14)
- RAM Response
 - Refers to procedure following the QAPP approach
 - Soil DP survey plan contains conditions that must be known in order to develop this procedure (e.g. gamma guideline, Th-230 and U clean-up levels)
 - Premature to develop a description of QA/QC activities for planning, design, and implementation of the final status survey until the final survey plan is approved
 - All previous soil verification data will be evaluated to determine if it meets the standards provided by the QAPP for final verification

- Mill Area Organic Contamination (RAI 15)
- RAM Response
 - Mill Demolition Provided Access to Soils
 - Characterization Study to Begin June 6, 2005
 - Volume Assessment
 - Laboratory Analysis
 - Bioremediation & Land Farming of Soils in Excess of Limits
 - On Site Disposal if 11(e).2 Material

- January 3, 2001 Comment #7 (RAI 16)
 - Indirect Method of Compliance

- RAM Response
 - Parameter assumptions of Benchmark Dose Modeling described in Appendix B of Soil DP, and address previous NRC concerns
 - Benchmark Dose revised downward from 68.4 mrem/yr to 18mrem/yr

- January 3, 2001 Comment #12 (RAI 16)
 - DOE Willingness to Accept Site
- RAM Response
 - DOE has Accepted Proposed LTSM Boundary
 - Application of ACLs
 - Long Term Stability of Tailings Disposal Area

- January 3, 2001 Comment #18 (RAI 16)
 - Use of ATV For Correlation

RAM Response

- Soil Plan p. 34 & Figure 3-1
 - Negligible Differences Between Walking vs ATV
- Influence From ATV Eliminated
 - Detector Mounted 3 Feet From ATV
 - Detector Located 18 Inches Off Ground

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- January 3, 2001 Comment #26 (RAI 16)
 - Extent of Buffer Zone
- RAM Responses
 - Conform to NUREG-1620, Section 5.2.2.(7)
 - 30 Meter Buffer Zone

Lined Ponds Closure Plan RAI

Responses to NRC Comments, Section 5, 7-16 and 19-23, Dated December 22, 2004 (Lined Ponds Closure Plan RAI -1)

RAM Response

- Comment 7 Unity Rule
 - RAM Will Apply Unity Rule to Surface Soils
- Comment 8 Deep impacts
 - Justification and Methodology of the ARC in Soil Plan (Sec. 5.2)
 - Section 4 to be Released for Unrestricted Use
- Comment 9 Soil Mixing
 - Soil Mixing Will Not Be Used

Lined Ponds Closure Plan RAI

Responses to NRC Comments, Section 5, 7-16 and 19-23, Dated December 22, 2004 (Lined Ponds Closure Plan RAI -1)

RAM Response

- Comment 10 Deep Impacts
 - See Response to Comment 8

Comment 11 – Areas to be Addressed

- Impacts due to Licensed Activities Will be Addressed

Responses to NRC Comments, Section 5, 7-16 and 19-23, Dated December 22, 2004 (Lined Ponds Closure Plan RAI -1)

Comment 12 - Analytical methods

- Los Alamos National Laboratory, Health and Environmental Chemistry: Analytical Techniques, Data Management, and Quality Assurance, vol 2, 1993, "ER 130 Gamma-ray Emitting Radionuclides in Environmental Matrices – Instrumentation Method", LA-10300-M
- Department of Energy, EML Procedures Manual, HASL-300, 1991, "Ga-01-R Gamma Radioassay", DE91-010178

Comment 13 - Survey Procedures

- Summarized in the Soils Plan at Section 8.1.2.2.

Responses to NRC Comments, Section 5, 7-16 and 19-23, Dated December 22, 2004 (Lined Ponds Closure Plan RAI -1)

- Comment 14 Quality Assurance
 - All survey and soil sampling has been done by approved procedures.
 - Quality Assurance program description, including management oversight, is provided in Attachment 1.
- Comment 15 Sample Preparation (Drying)
 - SOP To Include QA Section on Soil Drying

– Comment 16 - Sample Storage

 Verification soil samples will be stored until NRC approval of the FSS Report is provided to RAM.

Responses to NRC Comments, Section 5, 7-16 and 19-23, Dated December 22, 2004 (Lined Ponds Closure Plan RAI -1)

- Comment 19 ARC
 - RAM Agrees That Deep Contamination Cannot Be Characterized By Surface Scans
 - RAM Concurs That ARC is Subject to Approval of NRC

Comment 20 - Sampling Requirements

The reference for 80% is EPA SW-846 Section 9.1.1.1

– Comment 21 - Pipelines

- 1 Sample Every 100 m²
- Suspect Areas (Damp Soil, etc..)

Responses to NRC Comments, Section 5, 7-16 and 19-23, Dated December 22, 2004 (Lined Ponds Closure Plan RAI -1)

– Comment 22 - QA Procedure

- The QA Procedures Summarized in the Soil Plan, Section 8.1.6 and Attachment 1

Comment 23 - Non-Radiological Parameters

- Remediation of Radiological Components in Soil Likely to Result in Concurrent Non-Radiological Remediation
- RAM Will Collect 4 Composite Samples per Pond
- RAM Will Sample Suspect Areas (Deep Moisture)

Future Submittals

- Pond 2 Cell Design Plan
- Intercept Trench
 - French Drain
- Lateral Migration of Arroyo del Puerto
- Pond 3 Erosion Protection