June 8, 2005

Mr. Thomas Pauling, Site Manager U.S. Department of Energy Grand Junction Office 2597 B3/4 Road Grand Junction, CO 81503

SUBJECT: ACCEPTANCE OF THE LONG-TERM SURVEILLANCE PLAN FOR THE PETROTOMICS COMPANY SHIRLEY BASIN SOUTH URANIUM MILL TAILINGS SITE (TAC LU0088)

Dear Mr. Pauling:

On March 25, 2005, the Petrotomics Company (Petrotomics) transferred ownership of the Shirley Basin South uranium mill tailings site in Shirley Basin, Wyoming to the U.S. Department of Energy (DOE), as required by 10 CFR Part 40, Appendix A, Criterion 11, prior to license termination. In this regard, the DOE is the designated long-term custodian of the Shirley Basin South site. Subsequently, by letter dated May 12, 2005, the DOE submitted the final Long-Term Surveillance Plan (LTSP) for the Shirley Basin South site for review by the U.S. Nuclear Regulatory Commission (NRC) staff. A correction to one page of the LTSP was forwarded to the staff in a DOE letter dated June 1, 2005. The staff has completed its review of the LTSP and determined that the DOE has appropriately addressed the staff's comments provided by letter dated October 25, 2002, on DOE's August 26, 2002, draft LTSP for Shirley Basin South.

The staff concludes that the final LTSP satisfies the requirements in 10 CFR Part 40, Appendix A, Criterion 12, and §40.28 for the long-term surveillance of a tailings disposal site. Accordingly, the NRC hereby accepts the LTSP for the Shirley Basin South site. This acceptance establishes the DOE as the custodian and long-term caretaker of the Shirley Basin South site under the general license specified in §40.28. In a concurrent action, the NRC has terminated Petrotomics' specific Source Materials License SUA-551 for the Shirley Basin South site. An environmental assessment is not required for these actions as they are categorically excluded under 10 CFR Part 51.22(c)(11). T. Pauling

2 June 8, 2005

If you have any questions regarding this letter, please contact Rick Weller, the Project Manager for Shirley Basin South, at (301) 415-7287 or by e-mail to <u>RMW2@nrc.gov.</u>

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <u>http://www.nrc.gov/NRC/ADAMS/index.html</u> (the Public Electronic Reading Room).

Sincerely,

/RA/

Gary S. Janosko, Chief Fuel Cycle Facilities Branch Division of Fuel Cycle Safety and Safeguards Office of Nuclear Material Safety and Safeguards

Docket No.: 40-6659 License No.: SUA-551

cc: D. Bergman-Tabbert, DOE GJO M. Plessinger, Stoller GJO S. Pfaff, Petrotomics M. Moxley, WDEQ R. Hoy, WDEQ T. Pauling

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cc: D. Bergman-Tabbert, DOE GJO

M. Plessinger, Stoller GJO S. Pfaff, Petrotomics

M. Moxley, WDEQ

R. Hoy, WDEQ

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