

March 21, 2006

Ms. Ruth E. McBurney, CHP, Manager
Radiation Safety Licensing Branch
Texas Department of State Health Services
1100 West 49th Street
Austin, TX 78756-3189

Dear Ms. McBurney:

We have completed our review of your January 24, 2006, Completion Review Report (CRR) regarding the proposed termination of the West Cole Project, Site No. 000 on Texas Radioactive Material License No. L03024 issued to COGEMA Mining, Inc., an in-situ leach uranium recovery facility located in Bruni, Texas. In the letter, you requested that the U.S. Nuclear Regulatory Commission (NRC) make a determination that the project site has met the criteria for release to unrestricted use and may be released to unrestricted use.

The process that we used to make the determination is set out in the Office of State and Tribal Programs (STP) Procedure SA-900 "Termination of Uranium Mill Licenses in Agreement States." Our determination is based on two supporting bases: review of the CRR documenting the Texas Department of State Health Services (DSHS) staff's bases for its conclusion that all applicable standards and requirements have been met; and review of Texas' Agreement State uranium recovery program, conducted under the Integrated Materials Performance Evaluation Program (IMPEP).

As indicated in STP Procedure SA-900, closure of an in-situ leach uranium recovery site requires a demonstration that the groundwater has been adequately restored, all the wells have been closed and plugged according to the appropriate Texas statute, disposal or transfer of radioactive material is documented, and radiation surveys and confirmatory soil samples indicate that the site meets unrestricted release requirements.

First, the information you have submitted indicates that the groundwater has been restored by the licensee to the satisfaction of the Texas Water Commission and Texas Natural Resource Conservation Commission (TNRCC), now named the Texas Commission on Environmental Quality. All the wells have been plugged and abandoned by the licensee as authorized by TNRCC. Based on DSHS's review of the license termination, you reported that proper disposition of radioactive materials took place at the site and there has been no on-site disposal of radioactive materials; therefore, there is no need to transfer ownership of land to the State or the Federal Government.

DSHS has reviewed the results of radiation surveys submitted by the licensee and performed confirmatory surveys for the subject site. Post-cleanup surveys conducted by DSHS indicate that the site has been decontaminated to a radiation level that meets the State criteria. According to the information provided in the submittals, the analysis of soil samples indicates the radium-226 and uranium concentrations have been found acceptable when compared to the release criteria. The statements made in the submittals indicate that the DSHS has adequately determined that all applicable standards and requirements have been met by the licensee.

Second, the most recent IMPEP review of the Texas Agreement State Program, conducted in December 2005, concluded that the Texas program is adequate to protect public health and safety but needs improvement, and compatible with NRC's regulatory program.

Based on our review of the above information and in accordance with 10 CFR 150.15a(a) and Section 274c of the Atomic Energy Act of 1954, as amended, we have determined that all applicable standards and requirements for the protection of the public health, safety and the environment have been met for the West Cole Project (Site No. 000) on the Radioactive Material License No. L03024, and the site may be released for unrestricted use. The State of Texas may amend License No. L03024 to remove the West Cole Project.

A copy of our evaluation report, entitled "Documentation of NRC Review on the Termination Findings of the COGEMA Mining, Inc. License Submitted by the Texas Department of State Health Services" is enclosed.

If we can be of further assistance in this regard, please contact me at (301) 415-3340 or Sandra Lai of my staff at (301) 415-4012.

Sincerely,

/RA/

Janet R. Schlueter, Director
Office of State and Tribal Programs

Enclosure:
As stated

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Sincerely,

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Janet R. Schlueter, Director
Office of State and Tribal Programs

Enclosure:
As stated

Distribution: DCD (SP08)

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PMichalak, NMSS

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SISP Review Complete

: Publicly Available Non-Publicly Available

: Non-Sensitive Sensitive

Response to Incoming Documents: ML060310544

DOCUMENT NAME: G:\SXL5\TX West Cole\ML060820096.wpd

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**Documentation of NRC Review on the Termination Findings of the COGEMA Mining, Inc.
License Submitted by the Texas Department of State Health Services**

Licensee: COGEMA Mining, Inc. License No.: L03024 Site No.: 000 (West Cole Project) Location: Bruni, Texas Area: Approximately 620 acres Type of License: Non-conventional (in-situ leach) Uranium Milling License Full / Partial License Termination: Partial License Termination

The following items were reviewed based on the Office of State and Tribal Programs (STP) Procedure SA-900 "Termination of Uranium Mill Licenses in Agreement States."

1. A brief description of licensee's activities associated with decommissioning and license termination.

Comment: This information is provided under item 1 in Section II of the final Completion Review Report (CRR) attached to letter sent to the STP from Texas Department of State Health Services (DSHS) dated January 24, 2006, and has been found acceptable. Acreage information for the mine site is also provided under this item.

2. Groundwater information which demonstrates that the groundwater has been adequately restored to meet applicable standards and requirements.

Comment: This information is provided under item 2 in Section II of the CRR, and has been found acceptable.

3. Documentation that the production, injection and monitoring wells have been closed and plugged in accordance with applicable standards and requirements.

Comment: This information is provided under item 3 in Section II of the CRR, and has been found acceptable.

4. Decommissioning information which documents that all radiologically contaminated materials have been properly disposed of, transferred to licensee(s) authorized to possess such materials, or meet applicable standards and requirements for release.

Comment: This information is provided under items 1 and 4 in Section II of the CRR, and has been found acceptable. DSHS indicated that material and/or equipment which was contaminated was transferred to another licensed mine site, decontaminated and released for unrestricted use, or disposed of at an appropriate facility.

5. Discussion of the results of radiation surveys and soil sample analyses which confirm that the licensed site meets applicable standards and requirements for release.

Comment: The results of radiation surveys and soil sample analyses are provided under items 5 and 6 in Section II of the CRR, and has been found

