

May 10, 2006

Mr. Adrian Stein
New Mexico Environment Department
Harold Runnels Building, Room N2300
1190 St. Francis Drive
P.O. Box 26110
Santa Fe, NM 87502

SUBJECT: DRAFT ENVIRONMENTAL ASSESSMENT RELATED TO THE ISSUANCE OF A
LICENSE AMENDMENT FOR MODIFICATION OF GROUND-WATER
PROTECTION STANDARDS FOR UNITED NUCLEAR CORPORATION'S
CHURCH ROCK, NEW MEXICO PROJECT SITE (TAC NO. LU0117)

Dear Mr. Stein:

By letter dated July 14, 2005, General Electric Environmental Programs (GEEP), on behalf of United Nuclear Corporation (UNC), submitted to the U.S. Nuclear Regulatory Commission (NRC) an application to amend License Condition 30.B of Source Materials License No. SUA-1475 for the former Church Rock Uranium Mill. This proposed amendment would revise the current chloroform ground-water protection standard (GWPS) of 0.001 milligrams per liter (mg/L) to 0.08 mg/L for total trihalomethanes. Additionally, by letters dated February 22 and April 7, 2006, GEEP submitted an amendment request to revise the GWPS for combined radium-226 and -228 in the Southwest Alluvium and Zone 1 saturated units. This proposed amendment would revise the current combined radium-226 and -228 GWPS from 5 pCi/L to 5.2 pCi/L in the Southwest Alluvium and from 5 pCi/L to 9.4 pCi/L in Zone 1.

Pursuant to the requirements of 10 CFR Part 51, "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions," the staff has prepared a draft Environmental Assessment (EA) of UNC's requests to evaluate the potential environmental impacts of the proposed actions (Enclosure). After a review of the potential impacts of the proposed actions, the staff concludes that the proposed actions will not have a significant impact on the public health and safety and the environment and, as such, a Finding of No Significant Impact is appropriate. The staff is requesting that the New Mexico Environment Department review the draft EA and provide comments within 30 days of the date of this letter. Please note that the draft EA contains pre-decisional information which should not be disclosed without prior NRC consent.

If you have any questions, please contact Paul Michalak, Project Manager for the UNC, Church Rock facility, at (301) 415-7612 or at pxm2@nrc.gov.

Mr. Stein

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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 Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

Paul Michalak, Project Manager
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 40-8907
License No.: SUA-1475

Enclosure: Draft Environmental Assessment

cc: Dana Bahar w/o enclosure

Mr. Stein

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