



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
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June 7, 2006

Patricia Gardner
Manager, Bureau of Environmental Radiation
New Jersey Department of Environmental Protection
P.O. Box 415
Trenton, NJ 08625-0415

SUBJECT: HERITAGE MINERALS, INC. (HMI) PROPOSED LICENSE TERMINATION

Dear Ms. Gardner:

Thank you for promptly reviewing the revised draft Environmental Assessment (EA) for the proposed U.S. Nuclear Regulatory Commission (NRC) action to terminate the HMI license and release the site for unrestricted use. The comments stated in your letter dated May 25, 2006, refer to the basis by which NRC licensed only portions of the HMI site affected by source material. You commented that the NRC licensing decision contradicts an NRC licensing decision at another site in New Jersey, wherein NRC extended its jurisdiction to material that was not source material. A second comment questioned whether licensable material is present at locations physically below state-regulated material. We will consider these additional comments in preparation of the final version of the EA.

In addition, on May 30, 2006, we contacted Ms. Jenny Goodman of your staff to inform your office that we had reviewed your comments for possible inclusion as a supplement to the Commission Paper requesting the Commission's approval of the proposed action. We determined that the New Jersey Department of Environmental Protection (NJDEP) concerns provided in this letter did not constitute new information or information that is not already adequately summarized in the Commission Paper. New Jersey's position regarding the NRC licensing decision of this site was previously stated in NJDEP letters, as early as when NRC first issued the HMI license. In each instance, NRC reviewed and responded to these concerns as to why the NRC extended its jurisdiction to only source material and related process and storage areas at the HMI site. With respect to the possibility of NRC licensable material at depth in state-regulated areas, we believe that the final status surveys and NRC confirmatory surveys identified where there may have been some pockets of licensable material in areas not previously licensed by NRC. These areas were adequately remediated.

We appreciate the time you took to review your historical records regarding the HMI operating history. We will ensure the EA summary reflects an accurate operating history, and the NJDEP position that NRC jurisdiction should have extended to the combined tailings pile as well.

Sincerely,

Original signed by George Pangburn

George Pangburn, Director
Division of Nuclear Materials Safety

P. Gardner

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cc:

Jenny Goodman, NJDEP
Paul Baldauf, P.E., NJDEP
Jill Lipoti, NJDEP

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