

September 20, 2006

Ms. Donna L. Wichers
General Manager
COGEMA Mining, Inc.
935 Pendell Boulevard
P.O. Box 730
Mills, WY 82644

SUBJECT: REVIEW OF COGEMA MINING, INC., IRIGARAY MINE RESTORATION
REPORT, PRODUCTION UNITS 1 THROUGH 9, SOURCE MATERIALS
LICENSE SUA-1341 (TAC LU0137)

Dear Ms. Wichers:

By letter dated November 7, 2005, to the U.S. Nuclear Regulatory Commission (NRC), COGEMA Mining, Inc. (COGEMA), submitted a mine restoration report for Irigaray Mine, production units 1 through 9. COGEMA submitted this information to fulfill License Condition (LC) 10.16 of Source Materials License SUA-1341 that requires COGEMA to conduct ground-water restoration and postrestoration monitoring as described in Section 6.1 of the approved license application.

COGEMA submitted information that included the mine restoration report as well as the results of the Wyoming Department of Environmental Quality's (WDEQ) review of that report. In a letter dated November 1, 2005, Mr. Richard Chancellor, Administrator of the WDEQ Land Quality Division, noted that WDEQ determined that ground water in Irigaray Mine production units 1 through 9 has been restored, as a whole, to its premining class of use. The WDEQ concluded that although ground water has not returned to baseline conditions, ground-water quality within the wellfield, based on the mean concentrations, will not endanger the class of use. The WDEQ also concluded that residual contaminant concentrations will not exceed U.S. Environmental Protection Agency maximum contaminant levels for the ground water outside the aquifer exemption boundary. Accordingly, WDEQ determined that the wells within the wellfield may be abandoned as described in the reclamation plan.

The NRC staff has completed its review of the ground-water restoration, stability, and monitoring information provided by COGEMA. The NRC staff concurs with the WDEQ that ground water has been restored, as a whole, to its premining class of use. Although the licensee has not met the NRC primary or background restoration standards in LC 10.16, the NRC staff concludes that COGEMA has restored ground water to the NRC secondary standards or premining use category as required in LC 10.16. Therefore, with this approval, COGEMA can begin decommissioning wells in Irigaray Mine production units 1 through 9.

D. Wichers

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The enclosed technical evaluation report (TER) provides the staff's detailed review of the Irigaray Mine restoration information.

If you have any questions regarding this letter or the enclosed TER, please contact Mr. Ron Linton, the Project Manager for COGEMA license SUA-1341, at (301) 415-7777, or via email, to RCL1@nrc.gov.

In accordance with Title 10, Section 2.390, "Public Inspections, Exemption, Requests for Withholding," of the *Code of Federal Regulations* (10 CFR 2.390) and the NRC's Rules of Practice, the agency will electronically provide a copy of this letter for public inspection in the NRC Public Document Room or from the Publicly Available Records component of the NRC's Agencywide Documents Access and Management System, which is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

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.: 040-8502
License No.: SUA-1341

Enclosure: Technical Evaluation Report

cc: R. Chancellor, WDEQ-LQD
S. Ingle, WDEQ-LQD
J. Corra, WDEQ-LQD

D. Wichers

-2-

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Fuel Cycle Facilities Branch
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