

August 25, 1995

Mr. Richard A. Chancellor
Acting Administrator, Land Quality Division
Wyoming Department of Environmental Quality
Herschler Building
122 West 25th Street
Cheyenne, Wyoming 82002

SUBJECT: CONFIRMATORY ORDER FOR RECLAMATION OF THE GAS HILLS, WYOMING, SITE

Dear Mr. Chancellor:

Enclosed for your review and comment is a draft Confirmatory Order from the U.S. Nuclear Regulatory Commission to the Wyoming Department of Environmental Quality (WDEQ) for reclamation of American Nuclear Corporation's (ANC's) Gas Hills, Wyoming, uranium mining and milling site. Your letter to me dated May 22, 1995, suggested a joint NRC/WDEQ/U.S. Department of Energy meeting to explore the options available to WDEQ relative to site licensing and securing Title X funds. I agree that such a meeting would be appropriate, and suggest that these topics be addressed at our September 18, 1995 meeting in Cheyenne, Wyoming.

If you have any questions concerning this letter or the enclosed Order, please contact me at (301) 415-7238 or Ken Hooks, the NRC Project Manager for ANC's Gas Hills site, at (301) 415-7777.

Sincerely, (Original Signed By
Joseph J. Holonich, Chief
High-Level Waste and Uranium
Recovery Projects Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Docket No. 40-4492

License No. SUA-667

Enclosure: As stated

cc: J. Joyce, DOE, Wash, DC
M. Moxley, WDEQ Lander, WY
W. Salisbury, ANC Casper, WY
D. Eckerdt, ANC Casper, WY
J. Virgona, DOE Grand Junction, CO

DRAFT

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the Matter of)	Docket No. 40-4492
)	License No. SUA-667
)	
State of Wyoming)	
Department of Environmental Quality)	
Herschler Building)	
122 West 25th Street)	
Cheyenne, Wyoming 82002)	
)	
Reclamation of American Nuclear)	
Corporation's Gas Hills,)	
Site)	

CONFIRMATORY ORDER FOR RECLAMATION OF THE GAS HILLS, WYOMING, SITE

I

The Wyoming Department of Environmental Quality (WDEQ) has undertaken to complete the reclamation of the American Nuclear Corporation's (ANC's) Gas Hills, Wyoming, site under Source Materials License No. SUA-667 (License) originally issued to Federal American Partners in 1971 pursuant to 10 CFR Part 40. The current licensee and site owner is ANC, which announced on May 9, 1994, that it was discontinuing operations and going out of business. WDEQ informed the NRC on July 21, 1994, that it was prepared to complete reclamation of the site and had initiated bond forfeiture. The Wyoming Environmental Quality Council forfeited ANC's reclamation bond to WDEQ by Order dated October 5, 1994. WDEQ has hired a consultant to design final reclamation plans for ANC's Gas Hills site.

II

The site is located in the Gas Hills mining district in central Wyoming about 85 miles west of Casper. The licensed site encompasses approximately 550 acres of land in total. Approximately 140 acres consist of the

decommissioned mill site and two tailings ponds that are undergoing reclamation. The remaining part of the site is semi-arid land that has minimal value for livestock grazing. Reclamation of the mill site was commenced in 1988.

III

WDEQ has agreed to remediate the site according to the ANC Reclamation Plan for the ANC Gas Hills site required by License Condition 14 of Amendment 50 to the ANC license, hereby incorporated by reference and appended hereto, as modified by WDEQ. Any modifications proposed by WDEQ shall not be implemented without prior NRC review and acceptance. In addition, remediation of groundwater contamination must be completed as required by License Condition 29 of Amendment 50 to the ANC license, and modified by the NRC staff review of alternate concentration limits applicable to groundwater remediation.

The commitments as set forth in the approved reclamation plan, approved groundwater corrective action plan, and License Conditions 14 and 29 of the ANC license will provide adequate protection of the public health and safety and reasonable assurance of compliance with the Commission's regulations. In view of the foregoing, I have determined that the public health, safety, and interest require that the commitments by WDEQ as set forth in the referenced documents be confirmed by this Order. WDEQ has consented to the issuance of this Order and has voluntarily agreed to complete the reclamation according to the approved plan without admitting any fact, responsibility, fault or liability in connection with the site other than stated in this Order. Based on the consent and pursuant to the 10 CFR 2.202(d), I have also determined that this Order shall be immediately effective.

IV

Accordingly, pursuant to Sections 62, 81, 83, 84, 161b, 161i, and 161o of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR Part 40, it is hereby ordered, that WDEQ shall:

1. Perform reclamation of the site in accordance with the approved Reclamation Plan as required by License Condition 14 of the ANC license and any NRC approved modification made by WDEQ.
2. Complete groundwater corrective actions in accordance with License Condition 29 of Amendment No. 50 to the ANC License.
3. Inform the Director, Office of Nuclear Materials Safety and Safeguards, NRC, and the Regional Administrator, NRC Region IV, at least 30 days prior to the estimated completion of the work described in Section IV 1., of the date on which the site will be available for a completion inspection.
4. Cooperate with the NRC (or its contractor) in NRC's site inspections.
5. Perform such additional reclamation and groundwater corrective action as is necessary based upon the NRC inspections, to comply with the Reclamation Plan, the approved groundwater corrective action plan, and License Conditions 14 and 29 of the ANC license.

Upon completion of the final NRC inspection and a determination that the inspection demonstrates that the site has been reclaimed in conformance with all applicable standards and requirements in the Reclamation Plan, the groundwater corrective action plan, and License Conditions 14 and 29 of the

ANC license, and the site is absent any degradation in the final as-constructed condition, License SUA-667 will be terminated and the reclaimed tailings ponds transferred to the State of Wyoming or to the United States in accordance with the Uranium Mill Tailings Radiation Control Act and the Commission's regulations. The transfer of the disposal site to the governmental custodian will constitute the final action of the Commission with respect to the ANC license and this order. In no case will NRC require additional reclamation by WDEQ in excess of the forfeited bond amount and any money received by WDEQ under Title X of the Energy Policy Act of 1992, unless otherwise agreed to by WDEQ.

V

Any person adversely affected by the Confirmatory Order, other than WDEQ, may request a hearing within 20 days of its issuance. Any request for a hearing shall be submitted to the Secretary, U. S. Nuclear Regulatory Commission, ATTN: Chief, Docketing and Service Section, Washington, D. C. 20555. Copies also shall be sent to the Director, Office of Nuclear Material Safety and Safeguards, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555; to the Assistant General Counsel for Hearings and Enforcement at the same address; to the Regional Administrator, NRC Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011-8064; and to the Land Quality Division Administrator, WDEQ, Herschler Building, 122 West 25th Street, Cheyenne, Wyoming 82002. If such a person requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).

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NAME	KHooks <i>for</i>		DGillen <i>DMS</i>		RFonner <i>per telecon</i>		JHolonich		
DATE	08/21/95	H	08/24/95	H	08/23/95		08/25/95		

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