

December 10, 2007

Mr. Terry Fletcher, President
Rio Algom Mining LLC
P.O. Box 218
Grants, NM 87020

SUBJECT: AMENDMENT 58 TO RIO ALGOM MINING LLC'S SOURCE MATERIALS
LICENSE SUA-1473, TAILINGS CELL 2 EXPANSION RECLAMATION PLAN
(TAC J00315)

Dear Mr. Fletcher:

The U.S. Nuclear Regulatory Commission (NRC) staff has completed its review of a Rio Algom Mining LLC (Rio Algom) request to amend NRC Source Materials License SUA-1473, dated May 31, 2007. By this submittal, Rio Algom provided a revised reclamation plan for disposal of evaporation pond sediments in an expansion of Cell 2 at its Ambrosia Lake site.

In reviewing this request, the NRC completed an Environmental Assessment (Enclosure 1), which concluded in a Finding of No Significant Impact (FONSI). The FONSI was published in the *Federal Register* on November 13, 2007. NRC staff also has completed a Technical Evaluation Report (Enclosure 2) and has found Rio Algom's plan acceptable. Therefore, pursuant to Title 10 of the Code of Federal Regulations, Part 40, Source Materials License SUA-1473 is hereby amended by revising License Condition No. 37 to include a tie to the Cell 2 expansion Reclamation Plan as provided in your May 31, 2007 submittal and its August 1, 2007, and September 18, 2007, supplements. All other conditions of this license shall remain the same. The enclosed license is being reissued to incorporate the above modification (Enclosure 3).

If you have any questions, please contact Tom McLaughlin at 301-415-4025, or via email, to rql@nrc.gov.

T. Fletcher

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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/NRC/reading-rm/adams.html>.

Sincerely,

/RA/

Keith I. McConnell, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 40-8905

License No.: SUA-1473

Enclosure: 1. Environmental Assessment
2. Technical Evaluation Report
3. Amendment No. 58 to License SUA-1473

cc: Gedi Cibas, NMED
Kevin Myers, NMED
Tom Pauling, DOE - Grand Junction

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(CLOSES TAC J00315)

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