

**ExxonMobil  
Environmental Services Company**

12450 Greenspoint Drive  
Houston, Texas 77060

Mahesh Vidyasagar  
Project Manager

GSC-GP6-1004  
281-654-8458 (Telephone)  
281-654-3851 (Fax)  
mahesh.vidyasagar@exxonmobil.com



August 28, 2009

United States Nuclear Regulatory Commission  
Attn: 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  
Mail Stop T-8F5  
11555 Rockville Pike  
Rockville, MD 20852

RE: Highland Reclamation Project, Docket No. 40-8102; License No. SUA-1139

Dear Mr. McConnell:

By this letter, ExxonMobil Environmental Services (Exxon) hereby provides you with notice of its intent to prepare and submit a license amendment application to the Nuclear Regulatory Commission (NRC) to re-define the proposed long-term surveillance and monitoring (LTSM) boundary, including the establishment of new and revised alternate concentration limits (ACLs) with associated points of compliance (POCs) and points of exposure (POEs), for its Highland Reclamation Project located in the State of Wyoming. Exxon's proposed application is intended to provide NRC with an updated and cost-effective approach to final site closure resulting in license termination and eventual transfer of the Highland site to the United States Department of Energy (DOE) for long-term surveillance and monitoring (LTSM).

The primary focus of Exxon's proposed license application will be to re-define the proposed LTSM boundary for the Highland site to account for, encompass, and contain all 11e.(2) byproduct material currently located on-site or moving off-site in compliance with the Atomic Energy Act of 1954, as amended, and 10 CFR Part 40, Appendix A's LTSM requirements for LTSM of two hundred (200) years and, to the extent practicable, one thousand (1,000) years. In accordance with re-defining the proposed LTSM boundary, Exxon intends to request approval of revised ACLs for seepage of 11e.(2) byproduct material to the south and east of the site's reclaimed tailings basin and new ACLs for seepage to the west that is collecting in the site's pit lake. Along with these revised and new ACLs, Exxon plans to request approval for new POCs and POEs associated with such ACLs to provide NRC, and later DOE, with a demonstration that the proposed long-term passive controls for 11e.(2) byproduct material will provide adequate protection of public health and safety.

In support of this proposed license amendment application, Exxon will prepare and submit technical and environmental reports in compliance with NRC guidance at NUREG-1748 entitled Environmental Review Guidance for Licensing Actions Associated with NMSS Programs and a cover memorandum explaining how the proposed application satisfies all applicable NRC regulations at 10 CFR Part 40, its Appendix A Criteria, and all relevant guidance. More specifically, the application's format will be consistent with the NRC Staff Technical Position Alternate Concentration Limits for Title II Uranium Mills (January 1996) and the guidance at NUREG-1620. Exxon believes that this application will satisfy all of NRC's requirements for acceptance of license amendment applications for detailed technical review and, subsequently, for final agency approval.

In addition, Exxon believes that it is imperative to do a thorough and expeditious review of its proposed license amendment application that, if resources will allow for it, NRC Staff avail itself of the opportunity to review the series of reports containing data and analyses submitted by Exxon in advance of the submission of this proposed

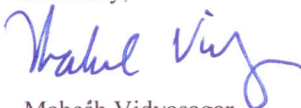
application, so that the review process will be more efficient as a result of questions or issues NRC Staff identifies prior to submission of the final license amendment application. Indeed, the aforementioned data and analyses already have been submitted to NRC Staff in advance of this letter and are referenced in this letter. A table of the previously submitted data and analyses is provided below:

<u>Title of Submission</u>	<u>Date of Submission</u>	<u>Description</u>
Long-Term Geochemical Evolution of the Highland Pit Lake	May 24, 2007	In support of the need to re-define the proposed LTSM boundary, Exxon has determined that I1e.(2) byproduct material from the reclaimed tailings basin has migrated from the reclaimed tailings impoundments to the west and have collected in the Highland pit lake. This study demonstrates that I1e.(2) byproduct material, in the form of uranium and other constituents from historic tailings seepage, exist in the Highland pit lake independent of other sources.
Long-Term Pit Lake and Ground Water Hydrology at the Highland Mine Site	May 24, 2007	A critical aspect of Exxon proposed license amendment application is a demonstration that the Highland pit lake serves as a "natural barrier" to migration of I1e.(2) byproduct material past the proposed POC and POE to the west of the reclaimed tailings basin. This report indicates that the Highland pit lake will remain a "hydrologic sink" in perpetuity and contaminants in the pit lake will not impact adjacent ground water or surface water systems.
Highland Pit Lake Ecological Risk Assessment	May 24, 2007	The results from this study demonstrate that the potential ecological risk from exposures at the Highland pit lake is limited by several factors, and that conditions are protective.

Further, it is Exxon's intent to propose a series of meetings with NRC Staff leading up to the submission of this proposed application which is consistent with NRC Staff's efforts to make the license application review process more efficient when addressing new license applications for uranium recovery facilities. Exxon plans to request meetings with NRC Staff as the aforementioned data and analyses are updated and completed.

It is Exxon's intent to submit this application to NRC in the second quarter of 2010. Should it be determined that the schedule for submission of this application will be changed significantly, Exxon will submit a letter notifying NRC Staff of any such change. Thank you for your time and consideration in this matter and we look forward to working with you in the near future.

Sincerely,



Maheśh Vidyasagar  
Project Manager  
ExxonMobil Environmental Services

Cc: Tom McLaughlin, Nuclear Regulatory Commission  
Steve Ingle, Wyoming Department of Environmental Quality  
Anna Waitkus, Wyoming Department of Environmental Quality  
Mark A. Zuschek, ExxonMobil Counsel  
Bruce Wielinga, AMEC, Inc.  
Rebecca Bilodeau, Tetra Tech, Inc.  
Anthony Thompson, Thompson & Simmons, PLLC