October 7, 2009

AREVA

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

CERTIFIED MAIL
7007 1490 0004 0142 9668

Re: **Reply to a Notice of Violation**
Source Material License SUA-442, Docket Number 40-6622

Dear Sirs:

The following responses address two Severity Level IV violations identified during the July 29-30, 2009 NRC inspection of Pathfinder Mines Corporation's Shirley Basin site located in Carbon County, Wyoming, and as noted in the NRC correspondence to Pathfinder Mines Corporation dated September 16, 2009.

Violation A. License Condition 35 states. in part, that the licensee shall conduct and document the attendance at bi-monthly safety meetings for all restricted area facility employees.

Contrary to the above, the licensee suspended all bi-monthly safety meetings at the end of 2007. No bi-monthly safety meetings were conducted during calendar years 2008 and 2009 up to the time of the inspection.

1) Reason for the violation: The remaining three full time Pathfinder employees (excepting the Operations Manager/RSO) at Shirley Basin were terminated at the end of 2007. There were no workers routinely on site through April, 2008. Beginning in May, 2008, a former employee (one of those terminated in December, 2007) who last served as the direct supervisor of the last hourly employees and also fulfilled functions including radiation safety technician and overall safety manager, was hired as a contractor to provide various services as needed at the site. These services include the receipt of ISR waste shipments and processing of shipment documentation, attendant radiation safety monitoring for shipments, limited heavy equipment operations to support the ISR waste deliveries, and routine site monitoring consisting of water sample collection and processing. These duties keep the contractor generally working on a full time basis during the months May through October each year. With the onset of winter, the contractor works a very limited number of hours during the period November – April in order to sample various wells and surface water sites on a quarterly basis.

   Because of the lack of full time regular employees on site, and the fact that the contractor was the former safety manager at the site with a wealth of experience and

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knowledge regarding mine safety, and a number of years experience as a radiation technician, it seemed rather pointless to conduct formal bi-monthly safety meetings for that individual. Whenever a unique circumstance presented itself which had safety implications, the situation was discussed between the contractor and the operations manager in order to arrive at a solution or approach that placed the highest priority on personnel safety. Unfortunately, these instances were not formally documented.

2) Corrective steps taken and results achieved: Bi-monthly safety meetings have been re-established and will be conducted and documented in the future. Under the present personnel arrangement for the Shirley Basin site, the participants in the bi-monthly safety meeting will be the contractor and the operations manager. The first such meeting will be held no later than October 16, 2009.

3) Corrective steps that will be taken to avoid further violations: The bi-monthly safety meetings will be held as long as personnel are active on site. Since there will be at least a minimal site presence even during winter months to conduct environmental (well and surface water) sampling, safety meetings will be held every two months throughout the year.

4) Date when full compliance will be achieved: October 16, 2009.

Violation B. 10 CFR 71.5 states, in part, that each licensee who transports licensed material outside the site of usage or where transport is on public highway, or delivers licensed material to a carrier for transport, shall comply with the applicable requirements of the U.S. Department of Transportation regulations in 49 CFR Part 171 through 180.

49 CFR 172.702 requires that each hazmat employer shall ensure that each hazmat employee is trained and tested, and that no hazmat employee performs any function subject to the requirements of 49 CFR Parts 171-177 unless trained, in accordance with Subpart H of 49 CFR Part 172. The terms hazmat employer and hazmat employee are defined in 49 CFR 171.8.

49 CFR 172.704(a)(2) states, in part, that each hazmat employee must be provided function-specific training concerning requirements of this subchapter that are specifically applicable to the functions the employee performs.

Contrary to the above, during June-July 2009, the licensee did not provide training to one onsite contractor as required by Subpart H to 49 CFR 172. This contractor signed bills of lading for shipment of empty containers without function-specific training.

1) Reason for the violation: Due to an oversight by Pathfinder management we failed to confirm through a review of U. S. Department of Transportation (USDOT) regulations the training requirement for the contractor. As a result, during the period June-July 2009 the release of empty containers from the site was conducted consistent with past practice, but without the requisite training for the contractor.

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2) Corrective steps taken and results achieved: Arrangements have been made to provide to the contractor appropriate function-specific hazmat training to fulfill the requirements of Subpart H to 49 CFR 172, including the conduct of a test over the training subject matter. That training will occur prior to October 16, 2009. The training completion will be documented consistent with the recordkeeping requirements of 49 CFR 172.704.

3) Corrective steps that will be taken to avoid further violations: Any personnel who will be involved in the release of empty containers will receive function-specific hazmat training prior to their involvement. The training certification is good for three years. Prior to the lapse of any USDOT hazmat training certification appropriate for the hazmat transportation-related tasks carried out at the Shirley Basin site, new training and certification will be accomplished.

4) Date when full compliance will be achieved: October 16, 2009.

Sincerely,

Tom Hardgrove

Tom Hardgrove
Operations Manager

cc: Regional Administrator, Region IV, US NRC