

May 4, 2010

Mr. Gary Sanford, Director  
Quality and Regulatory Affairs  
Louisiana Energy Services, L.L.C.  
P.O. Box 1789  
Eunice, NM 88231

SUBJECT: REQUEST FOR AMENDMENT TO MATERIALS LICENSE SNM-2010 TO  
CHANGE LICENSE CONDITIONS 6, 7, AND 8 AND AMENDMENT 32 (LAR-10-  
01) (TAC L32956)

Dear Mr. Sanford:

On February 18, 2010, you transmitted a request to amend your materials license. The proposed changes include the addition of unsealed forms of byproduct, source, or special nuclear material for calibration flexibility. This was supplemented by a modified Form 313 submitted on April 22, 2010. The changes have been reviewed and are found acceptable. We are enclosing a Safety Evaluation Report (SER). These changes remain within the scope of your Decommissioning Funding Plan Cost Estimate, and the amendment is approved. Amendment 32 to your license is enclosed. License Conditions 6, 7, and 8 have been revised as described in the staff's SER.

An environmental assessment for this action is not required, since this action is categorically excluded under Title 10 of the *Code of Federal Regulations* (10 CFR) 51.22(c)(11).

In accordance with 10 CFR 2.390 of the U.S. Nuclear Regulatory Commission's (NRC) "Rules of Practice," a copy of this letter and its enclosures will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records

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If you have any questions, please contact Mr. Ty Naquin at (301) 492-3187 or at [tyrone.naquin@nrc.gov](mailto:tyrone.naquin@nrc.gov).

Sincerely,

**/RA/**

Michael D. Tschiltz, Deputy Director  
Fuel Facility Licensing Directorate  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Docket No.: 70-3103  
License No.: SNM-2010

Enclosures:

1. Safety Evaluation Report
2. Amendment 32 to SNM-2010

cc:

William Szymanski/DOE  
Gary Don Reagan/Hobbs  
Cindy Padilla/NMED  
Glen Hackler/Andrews  
Gary Schubert/Lea County  
Michael Marriotte/NIRS  
Jon Goldstein/NMED  
Tannis Fox/NMED  
Lindsay Lovejoy/NIRS

Alton Dunn/Jal  
Daniel Stenger/H&H  
Betty Rickman/Tatum  
Matt White/Eunice  
Richard Ratliff/Texas  
CO'Claire/Ohio  
Joseph Malherek/PC  
Gary King/NMAG  
Clint Williamson/LES

Gregory Smith/LES  
David Trujillo/Lovington  
Reinhard Hinterreither/LES  
John Parker/NMED  
Lee Cheney/CNIC  
Roger Mulder/Texas  
Ron Curry/NMED  
Glen Smith/NMAG

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<b>DATE</b>	04/19 /10	04/20 /10	04/23/10	04/30/10	05/04/10

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DOCKET NUMBER: 70-3103  
LICENSE NUMBER: SNM-2010

LICENSEE: Louisiana Energy Services, L.L.C.  
Eunice, New Mexico

SUBJECT: REQUEST FOR AMENDMENT TO MATERIALS LICENSE SNM-2010 TO  
CHANGE LICENSE CONDITIONS 6, 7, AND 8 (LAR-10-01) (TAC L32956)

### BACKGROUND

Louisiana Energy Services (LES), in preparation of "First Cascade on Line," submitted a license amendment request (LAR-10-01) to change the Materials License SNM-2010 on February 18, 2010. The requested revision of License Conditions of 6, 7, and 8 in SNM-2010 better reflects the materials LES requires for normal operation of the National Enrichment Facility (NEF). This request was supplemented by a modified Form 313 in correspondence transmitted on April 22, 2010. The evaluation of the changes to the license conditions was processed in accordance with the provision of Title 10 of the *Code of Federal Regulations* (10 CFR) 70.34 to ensure there would be no decrease in the overall safety of the licensee's facility.

### PROPOSED CHANGES

LAR 10-01 was submitted to incorporate changes in LES' inventory of source, byproduct, and special nuclear material (SNM) at the NEF. LES' proposed changes to SNM-2010 in License Conditions 6, 7, 8 would add unsealed forms of a currently licensed byproduct, source, or SNM.

### DISCUSSION

The enclosure provided with the LES amendment request received on February 18, 2010, provides, in detail, the changes being proposed and the basis for each item. LES' changes to their possession limits to add unsealed forms of a currently licensed byproduct, source, or special nuclear material (SNM) are being added for calibration flexibility and to ensure license compliance of the existing calibration source inventory. LES's response to our request for additional information regarding source handling and control for unsealed sources was acceptable. The proposed changes are shown in Table 1 below.

**Table 1: Proposed Changes**

<b>Source and/or Special Nuclear Material and/or Byproduct Material (Condition 6)</b>	<b>Current Form and Quantity Allowed</b>	<b>Condition 7</b>	<b>Condition 8</b>
Co-60	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	5.00E+0 $\mu$ Ci
Sr-90	Sealed, 5.00E+0 $\mu$ Ci	Add Unsealed, any form	5.00E+0 $\mu$ Ci
Cs-137	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	1.00E+1 $\mu$ Ci
Po-210	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	1.00E+1 $\mu$ Ci
Th-230	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	1.00E+1 $\mu$ Ci
U-232	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	1.00E+1 $\mu$ Ci
U-233	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	1.00E+1 $\mu$ Ci
U-234	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	1.00E+1 $\mu$ Ci
U-235	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	1.00E+1 $\mu$ Ci
U-236	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	1.00E+1 $\mu$ Ci
U-238	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	1.00E+1 $\mu$ Ci
Am-241	Sealed, 5.00E+0 $\mu$ Ci	Add Unsealed, any form	5.00E+0 $\mu$ Ci
Ce-139	Sealed, 1.00E+1 $\mu$ Ci	Add Unsealed, any form	1.00E+1 $\mu$ Ci

**FINDINGS**

Based on the review and evaluation of the licensee's License Conditions 6, 7, and 8, the staff has determined that the changes in the February 18, 2010, submittal for the facility's Materials License SNM-2010 are appropriate and adequate, and the changes remain within the scope of the Decommissioning Funding Plan Cost Estimate. Approval of the revised conditions 6, 7, and 8 of SNM-2010 is recommended since the requirements of 10 CFR 30, 10 CFR 40, and 10 CFR 70, are met. Proposed changes to License Conditions 6, 7, and 8 are shown in Table 1 above.

**ENVIRONMENTAL REVIEW**

The staff determined that requested changes to License Conditions 6, 7, and 8 in SNM-2010 are primarily administrative in nature and are categorically excluded from the requirements to prepare a site-specific environmental assessment. Therefore, in accordance with 10 CFR 51.22(c)(11), neither an environmental assessment nor an environmental impact statement is warranted for this action.

**CONCLUSION**

The staff concludes that the revisions made to SNM-2010 are appropriate and justified. They meet applicable requirements stipulated in 10 CFR 30, 10 CFR 40, and 10 CFR 70.

**PRINCIPAL CONTRIBUTOR**

Lydiana Alvarado-Guilloty