

SAFETY EVALUATION REPORT
PROPOSED LICENSEE NAME CHANGE FOR SOURCE MATERIALS LICENSE SUA-1341
IRIGARAY AND CHRISTENSEN RANCH FACILITIES, WYOMING

DATE: August 13, 2010

DOCKET NO.: 040-08502

LICENSEE: Uranium One USA, Inc. (formally Cogema Mining, Inc.)

SITE: Irigaray and Christensen Ranch Facilities, Wyoming

PROJECT MANAGER: Ron C. Linton

TECHNICAL REVIEWER: Roman Przygodzki

SUMMARY AND CONCLUSIONS:

The United States Nuclear Regulatory Commission (NRC) staff reviewed a license amendment request submitted by Cogema Mining, Inc. and its parent company, Uranium One Americas, Inc. to change the name of the corporation that holds NRC Source Materials License SUA-1341 from Cogema Mining Inc. to Uranium One USA, Inc. Source Materials License SUA-1341 allows for the *in situ* recovery (ISR) of uranium at the Irigaray and Christensen Ranch facilities, located, respectively, in Johnson and Campbell Counties, Wyoming. This licensing action shall henceforth be referred to as “name change.”

On January 27, 2010, NRC was notified that the corporation, then named Cogema Mining, Inc., would be renamed Uranium One USA, Inc. (ML100351154). By letter to NRC dated February 17, 2010, supplemental information supporting the name change was provided (ML100491500). By letter dated May 10, 2010, responses to NRC requests for additional information (RAIs) were provided (ML101410740). These documents are collectively referred to as the “application.”

The application was reviewed by NRC staff using Title 10 of the Code of Federal Regulations (CFR) Part 40 and the guidance in NUREG 1556, Volume 15, “Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses,” dated November 2000. NRC staff finds that the information submitted by Cogema Mining, Inc. (hereinafter referred to as “Uranium One USA” or “Licensee”) sufficiently describes and documents the proposed name change. Relying on Uranium One USA’s submissions, the staff concludes that this name change does not constitute a change of control. The staff finds that, after the name change, Uranium One USA will remain qualified to use source material for the purpose requested, and will continue to have the equipment, facilities, and procedures needed to protect public health and minimize danger to life or property.

REGULATORY FRAMEWORK

License SUA-1341 was issued pursuant to 10 CFR 40, Domestic Licensing of Source Material. NRC determines under 10 CFR 40.46 if a change of control as proposed is in accordance with the provisions of the Atomic Energy Act of 1954, as amended, and gives its consent in writing.

10 CFR 40.46 states:

No license issued or granted pursuant to the regulations of this part shall be transferred, assigned, or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall after securing full information, find that the transfer is in accordance with the provisions of this act, and shall give its consent in writing.

The staff determined that the name change does not constitute a change of control.

The staff's evaluation is based on guidance in NUREG-1556, Volume 15, "*Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses*," dated November 2000, regulatory issue summary 2008-19, "*Lessons-Learned from Recent 10 CFR Part 70 License-Transfer Application Reviews*," dated August 2008, and regulations pertaining to specific licenses in 10 CFR 40.

CORPORATE ORGANIZATION AND STRUCTURE

The simplified corporate structure, before the name change (at the time Cogema Mining, Inc. was purchased from Areva NC, Inc. on January 25, 2010), was as follows:

- Cogema Mining, Inc. (a Delaware Corporation), a subsidiary of
- Uranium One Exploration U.S.A. Inc. (a Delaware Corporation), a subsidiary of
- Uranium One Americas, Inc. (a Nevada Corporation), a subsidiary of
- Uranium One Investments, Inc. (a Canadian Corporation), a subsidiary of
- Uranium One, Inc. (a Canadian Corporation).

Uranium One USA provided an updated corporate organizational chart, detailing the corporate structure at the time Uranium One, Inc., purchased Cogema Mining, Inc. (as named at the time of the transaction), and the corporate structure after the name change. According to the organizational charts provided, only the Licensee's corporate name changed from Cogema Mining, Inc. to Uranium One USA, Inc. Neither the State nor Country of incorporation nor corporate organization of either the intermediate parent company or the ultimate parent company changed. No new entities entered the Licensee's corporate lineage.

As part of the February 17, 2010, submission, the Licensee provided:

- a copy of an amended, irrevocable letter of credit in favor of the Wyoming Department of Environmental Quality (WDEQ). This amendment revises the existing letter of credit by replacing “Cogema Mining, Inc.” with “Uranium One USA, Inc.”;
- a copy of a Certificate of Name Change from the Secretary of State of Wyoming;
- a copy of a Foreign Profit Corporation Application for Amended Certificate of Authority with an attachment listing Uranium One’s officers and directors; and
- a copy of a certification made by the Delaware Secretary of State certifying that Cogema Mining, Inc. is changing its name to Uranium One USA, Inc.

During the staff’s review, two different corporate entities with similar names were identified: (1) “Uranium One USA, Inc.”; and (2) “Uranium One U.S.A., Inc.” In its RAI response, Uranium One USA provided an Amended and Restated Certificate of Incorporation to indicate that “Uranium One USA, Inc.” is formerly known as “Cogema Mining, Inc.” Uranium One USA further confirmed that “Uranium One USA, Inc.” currently holds NRC License SUA-1341. As evidenced by a copy of a Certificate of Merger enclosed with RAI responses with respect to a change of control (ML093290146), “Uranium One U.S.A., Inc.” merged with and into “Uranium One Americas, Inc.” This merger occurred prior to the purchase of Cogema Mining, Inc.

FINANCIAL SURETY AND DECOMMISSIONING

Uranium One USA’s financial assurance requirements for decommissioning, decontamination, and reclamation, consistent with 10 CFR 40, Appendix A, Criterion 9, are set forth in License Condition 9.5.

The proposed name change will not affect Uranium One USA’s requirements for providing adequate financial assurance. Uranium One USA will be responsible for the future decommissioning of the licensed facilities, and is responsible for providing adequate financial assurance. Uranium One USA confirmed that, following the name change, Uranium One USA: (1) assumes full liability for facility and site decommissioning; (2) agrees to abide by all commitments and representations previously made to NRC by the Licensee in its previous corporate name; (3) agrees to abide by all constraints, conditions, requirements, representations, and commitments identified in the license; and (4) accepts full liability and responsibility for the site and facility.

Uranium One, Inc., on behalf of Uranium One USA, provided financial assurance in the form of an irrevocable letter of credit with the Wyoming Department of Environmental Quality and the U.S. Department of the Interior as the beneficiaries. A copy of Amendment Number 1 to the irrevocable letter of credit was provided for review. This amendment replaces “Cogema Mining, Inc.” with “Uranium One USA, Inc.” throughout the letter of credit with no other changes. Therefore, the letter of credit remains in the amount of \$9,714,299, which is equal to the current reclamation cost estimate approved by NRC on February 25, 2009 (ML090160045).

Uranium One, Inc. has since provided an updated Certification of Financial Assurance that identifies the name of the NRC Licensee as “Uranium One USA, Inc.,” and whose certification

amount of \$9,714,299 is equal to the current reclamation cost estimate approved by NRC on February 25, 2009. The staff finds the Certification of Financial Assurance acceptable and consistent with the guidance provided in NUREG-1757, Volume 3, Appendix A.2, "Consolidated Decommissioning Guidance - Financial Assurance, Recordkeeping, and Timeliness - Standard Format and Content of Financial Assurance Mechanisms for Decommissioning," dated September 2003.

The staff finds that the submitted information sufficiently describes Uranium One USA's ability to decommission and provide adequate financial surety consistent with the guidance in NUREG-1556, Volume 15, NUREG-1757, Volume 3, and the requirement of providing a financial instrument in an amount at least equal to the approved cost estimate, as set forth in License Condition 9.5 of Amendment No. 15 to SUA-1341. On June 22, 2010, the surety estimate was revised to \$9,828,099 in a letter from NRC to the Licensee (ML101390055). When the letter of credit is revised, the Licensee will provide an updated copy to the NRC in the amount of \$9,828,099.