

November 22, 2011

Mr. Thomas E. Gieck
UMETCO Minerals Corporation
P.O. Box 1029
Grand Junction, CO 81502

SUBJECT: LICENSE AMENDMENT – UMETCO MINERALS CORPORATION’S REQUEST TO REVISE APPENDIX M, GROUNDWATER MONITORING PLAN FOR THE GAS HILLS URANIUM MILL TAILINGS SITE, TO MODIFY LICENSE CONDITION 35D AND TO ELIMINATE LICENSE CONDITION 35E OF LICENSE (SUA-648)

Dear Mr. Gieck:

By letter dated June 9, 2011, Umetco Minerals Corporation submitted a request to the U.S. Nuclear Regulatory Commission (NRC) to amend License Condition 35 of Umetco’s radioactive materials license (SUA-648), to revise Appendix M of the Groundwater Monitoring Plan of the Alternate Concentration Limit Application, and to delete sampling locations PW4 and Iron Springs. Umetco also requested that sampling at the site be performed on an annual basis, each June, to align its monitoring plan, including the sampling frequency, with that proposed by the Department of Energy’s draft Long-Term Surveillance Plan for the Gas Hills site.

By letter dated, September 28, 2011, Umetco requested that NRC further amend SUA-648 to modify License Condition 35D, by deleting the lower detection limit for iron, and to delete License Condition 35E, which establishes the gross alpha Alternate Concentration Limit.

By letter dated October 31, 2011, Umetco revised their June 9, 2011 request and stated that they would continue to sample the Iron Spring location. Umetco also corrected inconsistencies in the sampling frequency in their proposed revision to Appendix M.

The NRC staff has completed its review of Umetco’s request and finds that it is acceptable. The NRC staff’s evaluation is summarized in the enclosed Safety Evaluation Report. License Condition 35 has been revised to reflect the revisions to the Groundwater Monitoring Plan, the revisions to License Condition 35D and the removal of License Condition 35E. The amended license is also enclosed.

An environmental assessment was not performed for this action as it is categorically excluded pursuant to 10 CFR 51.22 (c)(11), as Umetco’s requested amendments are either administrative in nature, or result in a change in process operations that will not result in a significant change in the types or increase in the amounts of any effluents released offsite; it will not result in a significant increase in individual or cumulative radiation occupational exposure; it will not result in a significant construction impact; and there is no significant increase in the potential for, or consequences of, a radiological accident.

In accordance with 10 CFR 2.390 of the NRC "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions concerning the NRC staff comments, please contact Dominick Orlando at 301-415-6749 or by email at Dominick.orlando@nrc.gov

Sincerely,

/RA/

Keith 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

License No.: SUA-648

Docket No.: 040-0299

Enclosures:

1. Safety Evaluation Report
2. License Amendment No. 66

cc: Umetco Distribution List
Deborah Harris, WYDEQ

T. Gieck

2

In accordance with 10 CFR 2.390 of the NRC "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions concerning the NRC staff comments, please contact Dominick Orlando at 301-415-6749 or by email at Dominick.orlando@nrc.gov

Sincerely,

/RA/

Keith 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

License No.: SUA-648

Docket No.: 040-0299

Enclosures:

1. Technical Evaluation Report
2. License Amendment No. 66

cc: Umetco Distribution List
Deborah Harris, WYDEQ

ML112840082

OFC	DURLD	DURLD	OGC	DURLD	DURLD
NAME	DOrlando	TRowe	TStokes	LChang	KMcConnell
DATE	10/12/11	10/12/11	11/3/11	11/8/11	11/22/11

OFFICIAL RECORD COPY

Umetco Distribution List

Mark Moxley
Wyoming Department of Environmental Quality
Land Quality Division
510 Meadowview Dr.
Lander, WY 82520

Mr. Richard P. Bush
UMTRCA Program Manager
Office of Legacy Management
2597 B $\frac{3}{4}$ Road
Grand Junction, CO 81503

Mr. Dave Shafer
Environment Team Lead
Office of Legacy Management
U.S. Department Energy
2597 B $\frac{3}{4}$ Road
Grand Junction Co 81503

Scott Surovchak
DOE, Office of Legacy Management
11025 Dover St., Suite 1000
Westminster, CO 80021-5573