

March 29, 2012

Mr. Jon F. Winter
Manager, Wyoming Environmental
and Regulatory Affairs
Uranium One
907 North Poplar Street
Suite 260
Casper, WY 82601

SUBJECT: ACCEPTANCE FOR REVIEW OF LICENSE AMENDMENT REQUEST FOR A
NEW *IN SITU* LEACH URANIUM RECOVERY FACILITY, URANIUM ONE,
LUDEMAN FACILITY, CONVERSE COUNTY, WYOMING

Dear Mr. Winter:

By letter dated December 5, 2011, Uranium One Americas (Uranium One) submitted to the U.S. Nuclear Regulatory Commission (NRC) a request to amend Source Material License SUA-1341 to construct and operate a uranium *in situ* leach uranium recovery facility (ISR) at its Ludeman site in Converse County, Wyoming. The license amendment request is publicly available in NRC's Agency-wide Documents Access and Management System (ADAMS).

On February 8, 2012, the NRC informed Uranium One that the surface elevations for wells in the Negley subdivision were incorrect. The staff requested that Uranium One provide the results of well elevation surveys prior to the end of the acceptance review period. The staff completed its acceptance review on February 23, 2012, and notified Uranium One on February 29 and March 2, 2012 [documented on March 20, 2012 (ADAMS No. ML120590426)], that it was unable to verify that the application included all of the information identified in NUREG-1569, "Standard Review Plan for In Situ leach Uranium Extraction License Applications", and NUREG-1748, "Environmental Review Guidance for Licensing Actions Associated with NMSS Programs", August 2003. Uranium One provided the necessary information cross check on March 16, 2012 (ML120880043), and well survey data for 22 of 23 wells on March 20, 2012 (ML120870451).

The well survey data shows the majority of the well ground surface elevations were in error (typically around 20 feet). Most of the well survey elevations indicate the ground surface is lower; therefore, the location of most of the private well screens will be deeper than those currently reported in the application. As a consequence of these errors, it will be necessary for Uranium One to revise all the cross sections provided for the Negley subdivision (Appendix 2.7 F) to reinterpret the locations of the private well screens. In addition, any groundwater potentiometric maps which were produced for this portion (Leuenberger ore body) of the license area will also have to be reinterpreted.

The staff is also concerned that Uranium One may have used an interpretation of the USGS topographic maps to assess well elevations and the starting elevation of geophysical logs for the rest of the license area. Therefore, the staff is postponing its finding on the acceptability of your application and will not conduct the detailed technical review until Uranium One provides

survey elevations for the one missing well, and updated cross sections for the Negley subdivision (Appendix 2.7 F) reinterpreting the locations of the private well screens. In addition, any groundwater potentiometric maps which were produced for this portion (Leuenberger ore body) of the license area will also have to be reinterpreted, and Uranium One must provide evidence that the private well elevations and cross sections used for the entire license area are correct. Once the staff receives the requested information, the staff will notify Uranium One of its schedule for resuming its review of the Ludeman application.

In accordance with 10 CFR 2.390 of NRC's "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 ADAMS. ADAMS is accessible from the NRC Web site at: <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions, please contact me at John.Buckley@nrc.gov or (301) 415-6607.

Sincerely,

/RA/

John T. Buckley, Senior Project Manager
Reactor Decommissioning Branch
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 04008502

cc:
Glenn Mooney (WDEQ)
Miles Bennett (WDEQ)
James Brashor (BLM)
Chris Pugsley (Thompson & Pugsley, LLC)

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DATE	03/23/12	03/27/12	03/28/12	03/28/12	03/28/12	03/29/12

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