June 20, 2012

Mr. Zackary Rad
Licensing Manager
Louisiana Energy Services, LLC
P.O. Box 1789
Eunice, NM 88231

SUBJECT: LICENSE AMENDMENT REQUEST 12-01, REQUESTING AUTHORIZATION TO CHANGE PERIODICITY CHANGE OF QUALITY ASSURANCE AUDITS AND CHANGES TO QUALITY ASSURANCE PROGRAM DESCRIPTION (TAC NOs L34108 and L34136)

Dear Mr. Rad:

In a letter dated February 10, 2012, Louisiana Energy Services, LLC (LES), submitted license amendment request (LAR) 12-01 requesting a change to Quality Assurance (QA) Audit frequencies. LES also submitted, in a February 16, 2012, letter changes to the LES Quality Assurance Program Description (QAPD) made on their own authority.

Upon review of the changes requested by LAR 12-01, the staff found that the changes proposed do not present a reduction in commitment and are consistent with the regulatory requirements in Title 10 of the *Code of Federal Regulations* (10 CFR) Part 70 for management measures. In addition, the QA audit frequency changes, as described in both the revised portions of the Safety Analysis Report and Section 18 of the QAPD, continue to be consistent with the requirements provided in Appendix B to Part 50 and the requirements provided in the American Society of Mechanical Engineers QA Standard NQA-1-1994 with 1995 Addenda, as well as updated guidance provided in NQA-1-2008 with 2009 Addenda.

The staff also found that the changes made to the QAPD as detailed in your February 16, 2012, letter are consistent with Section 19 of QAPD, the regulatory requirements in 10 CFR Part 70 for management measures, and concludes that the changes are acceptable as they did not reduce any commitments made by the licensee in Revision 32d of Section 17 of its QAPD. The descriptions provided in Section 17 of the LES QA program continue to be consistent with the requirements of Criterion 17 of Appendix B to 10 CFR Part 50, as well as the requirements provided in Basic Requirement 17 of NQA-1-1994. All of our conclusions are documented in the Safety Evaluation Report (SER) as Enclosure 1 to this letter.

Lastly, we have reviewed the January 26, 2012, QAPD update which incorporated changes necessitated by the approval of LAR 11-02. We find that the changes are consistent with the LAR approval, and are thus acceptable. As the changes documented commitments made in a prior LAR a separate SER was not developed.

Your license will be updated to reflect the dates of these QA Documents concurrent with the next major amendment.

Because the activities described above involve administrative actions, the U.S. Nuclear Regulatory Commission (NRC) has determined that the proposed activities do not individually or

cumulatively have a significant effect on the human environment. Therefore, in accordance with 10 CFR 51.22(c)(11), neither an Environmental Assessment nor an Environmental Impact Statement is warranted for this action.

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

Work performed under Technical Assignment Controls (TAC) Numbers L34108 and L34136 is complete and the TACs are now closed. You license will be updated to reflect the findings of this letter in the next major license amendment. If you have any questions regarding this letter, please contact Mr. Michael Raddatz of my staff at (301) 492-3108, or via e-mail at Michael.Raddatz@nrc.gov.

Sincerely,

/RA/ M. Raddatz for

Brian W. Smith, Chief
Uranium Enrichment Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

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

Enclosure:
SER

cc:

William Szymanski/DOE	Gregory Smith/LES	Lindsay Lovejoy/NIRS
Daniel Stenger/H&H	Dixie Drummond/Lovington	Gary King/NMAG
Sarah Cottrell/NMED	Marilyn Burns/Tatum	David Sexton/LES
Glen Hackler/Andrews	Matt White/Eunice	Clint Williamson/LES
Gary Schubert/Lea County	Richard Ratliff/Texas	Lee Cheney/CNIC
Michael Marriotte/NIRS	CO'Claire/Ohio	Roger Mulder/Texas
Mary Rose/NMED	Joseph Malherek/PC	David Martin/NMED

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Sincerely,

Brian W. Smith, Chief
Uranium Enrichment Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
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