

August 7, 1997

Power Resources, Inc.  
ATTN: Paul R. Hildenbrand, Manager of Environmental and Regulatory Affairs  
Highland Uranium Project  
800 Werner Court, Suite 230  
Casper, Wyoming 82601

SUBJECT: POWER RESOURCES, INC. HIGHLAND ISL: REVIEW OF ANNUAL SURETY  
UPDATE AND SURETY INSTRUMENT REPLACEMENT REQUEST FOR SOURCE  
MATERIAL LICENSE NO. SUA-1511, LICENSE AMENDMENT NO. 3

Dear Mr. Hildenbrand:

The U.S. Nuclear Regulatory Commission staff has completed its review of Power Resources, Inc.'s 1996-1997 annual surety update for the Highland Uranium Project, submitted to NRC by letter dated April 24, 1997. NRC staff has concluded that the current surety, which reflects an increase from \$9,628,400 to \$13,525,457, is acceptable at this time. This surety increase is funded with an additional letter of credit, with the state of Wyoming as the beneficiary for all surety funds.

The licensee, WDEQ, and NRC continue to evaluate issues in efforts to arrive at an agreeable approach to calculating the financial assurance requirements at PRI's Highland facility. NRC staff will work cooperatively with the State of Wyoming in resolving all issues identified by both NRC and WDEQ regarding adequate financial assurance funding by PRI for the Highland site. In the meantime, PRI had indicated that it will provide NRC with another update to its surety later this summer.

The increase of \$3,897,057 was necessary to cover additional reclamation costs which were either under funded or not included in the previous surety estimate. Additional pore volume estimates and surface reclamation activities accounted for the majority of the increase. Inflation adjustments are also included in this figure.

Additionally, PRI requested in a letter dated June 30, 1997, to amend license condition 9.5 to reflect the change in surety instruments brought about by the recent change in ownership.

License Condition No. 9.5 of Source Material License SUA-1511 is hereby amended as indicated in the enclosed revised license. If you have any questions regarding this letter or the enclosed license, please contact Ms. Jane Marshall, NRC Project Manager, at (301) 415-6390.

Sincerely,

(original signed by)

Joseph J. Holonich, Chief  
Uranium Recovery Branch  
Division of Waste Management  
Office of Nuclear Material  
Safety and Safeguards

1/1  
NCLF

Docket No. 40-8857  
License No. SUA-1511

Enclosure: As stated  
cc w/o enclosure: W. F. Kearney, PRI  
G. Cash, WDEQ-LQD



Cases Closed: L51531, L51451

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**MATERIALS LICENSE**

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee 1. Power Resources Inc. P.O. Box 1210 Glenrock, Wyoming 82637		3. License Number SUA-1511, Amendment No. 3
		4. Expiration Date August 17, 2000
		5. Docket or Reference No. 40-8857
6. Byproduct, Source, and/or Special Nuclear Material  Uranium	7. Chemical and/or Physical Form  Unspecified	8. Maximum Amount that Licensee May Possess at Any One Time Under This License  Unlimited

SECTION 9: **Administrative Conditions**

- 9.1 The authorized place of use shall be the licensee's Highland Uranium Project uranium recovery and processing facilities in Converse County, Wyoming.
- 9.2 All written notices and reports to NRC required under this license shall be addressed to the Chief, High-Level Waste and Uranium Recovery Projects Branch, Division of Waste Management, Office of Nuclear Material Safety and Safeguards, Mail Stop T 7-J-9, Nuclear Regulatory Commission, 11545 Rockville Pike, Rockville, MD 20850. Incidents and events that require telephone notification shall be made to the NRC Operations Center at (301) 816-5100.
- 9.3 The licensee shall conduct operations in accordance with the conditions, representations, and statements referenced in the Operations Plan and Reclamation Plan submitted by cover letter dated July 28, 1995, and the license application dated May 14, 1993, which are hereby incorporated by reference, except where superseded by license conditions below.

Whenever the word "will" is used in the above referenced document, it shall denote a requirement.

- 9.4 A. The licensee may, without prior NRC approval, and subject to the conditions specified in Part B of this condition:
  - (1) Make changes in the facility or process, as presented in the application.
  - 2) Make changes in the procedures presented in the application.

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(3) Conduct tests or experiments not presented in the application.

B. The licensee shall file an application for an amendment to the license, unless the following conditions are satisfied.

(1) The change, test, or experiment does not conflict with any requirement specifically stated in this license (excluding material referenced in License Condition 9.3), or impair the licensee's ability to meet all applicable NRC regulations.

(2) There is no degradation in the essential safety or environmental commitments in the license application, or provided by the approved reclamation plan.

(3) The change, test, or experiment are consistent with the conclusions of actions analyzed and selected in the Environmental Assessment (EA) dated August 18, 1995).

C. The licensee's determinations concerning Part B of this condition, shall be made by a "Safety and Environmental Review Panel (SERP)." The SERP shall consist of a minimum of three individuals. One member of the SERP shall have expertise in management and shall be responsible for managerial and financial approval changes; one member shall have expertise in operations and/or construction and shall have responsibility for implementing any operational changes; and, one member shall be the corporate radiation safety officer (CRSO) or equivalent, with the responsibility of assuring changes conform to radiation safety and environmental requirements. Additional members may be included in the SERP as appropriate, to address technical aspects such as health physics, groundwater hydrology, surface-water hydrology, specific earth sciences, and other technical disciplines. Temporary members or permanent members, other than the three above-specified individuals, may be consultants.

D. The licensee shall maintain records of any changes made pursuant to this condition until license termination. These records shall include written safety and environmental evaluations, made by the SERP, that provide the basis for determining changes are in compliance with the requirements referred to in Part B of this condition. The licensee shall furnish, in an annual report to NRC, a description of such changes, tests, or experiments, including a summary of the safety and environmental evaluation of each. In addition, the licensee shall annually submit to the NRC changed pages to the Operations Plan and Reclamation Plan of the approved license application to reflect changes made under this condition.

9.5 The licensee shall maintain an NRC-approved financial surety arrangement, consistent with 10 CFR 40, Appendix A, Criterion 9, adequate to cover the estimated reclamation and closure costs, if accomplished by a third party, for all existing operations and any planned expansions or operational changes for the upcoming year. Reclamation includes all cited activities

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and groundwater restoration, as well as, off site disposal of byproduct material which may include evaporation pond wastes. Annual updates to the surety amount, required by 10 CFR 40, Appendix A, Criterion 9, shall be provided to the NRC at least 3 months prior to June 30 of each year. If the NRC has not approved a proposed revision 30 days prior to the expiration date of the existing surety arrangement, the licensee shall extend the existing arrangement, prior to expiration, for 1 year. Along with each proposed revision or annual update of the surety, the licensee shall submit supporting documentation showing a breakdown of the costs and the basis for the cost estimates with adjustments for inflation, maintenance of a minimum 15 percent contingency, changes in engineering plans, activities performed, and any other conditions affecting estimated costs for site closure.

The licensee shall provide an updated surety for NRC approval for any planned expansion or operational change which has not been included in the annual surety update. This surety update shall be provided to the NRC at least 30 days prior to the commencement of the planned expansion or operational change.

The licensee shall also provide the NRC with copies of surety-related correspondence submitted to the State, a copy of the State's surety review, and the final approved surety arrangement. The licensee must also ensure that the surety, where authorized to be held by the State, identifies the NRC-related portion of the surety and covers the above-ground decommissioning and decontamination, the cost of offsite disposal, soil and water sample analyses, and groundwater restoration associated with the site. The basis for the cost estimate is the NRC-approved site closure plan or the NRC-approved revisions to the plan. Reclamation/decommissioning plan, cost estimates, and annual updates should follow the outline in the attachment to SUA-1511 entitled, "Recommended Outline for Site Specific Reclamation and Stabilization Cost Estimates."

Power Resources Incorporated's currently approved surety instruments, Irrevocable Letter of Credit [REDACTED] issued by the Royal Bank of Canada, and Irrevocable Letter of Credit [REDACTED] issued by Norwest Bank, both in favor of the State of Wyoming, shall be continuously maintained in the sum total amount of no less than \$13,525,457 for the purpose of complying with 10 CFR 40, Appendix A, Criterion 9, until a replacement is authorized by both the State of Wyoming and the NRC.

[Applicable Amendments: 1,2,3 ]

- 9.6 The licensee shall have an agreement for the disposal of 11(e)2 byproduct material with a facility licensed to accept such materials. The licensee shall maintain the waste disposal agreement onsite. In the event the agreement expires or is terminated, the licensee shall attain a new agreement within 90 days after expiration, or the licensee will be

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prohibited from further lixiviant injection.

- 9.7 The licensee shall have a training program for all site employees as described in Regulatory Guide 8.31 and as detailed in the Operations Plan of the approved license application. The Radiation Safety Officer (RSO), or his designee, shall have the education, training and experience as specified in Regulatory Guide 8.31. The RSO shall also receive 40 hours of related health and safety refresher training every 2 years.

Individuals designated as the Radiation Safety Technician (RST) shall report directly to the RSO on matters dealing with radiological safety. In addition, the RSO shall be accessible to the RST at all times. The RST shall have the qualifications specified in Regulatory Guide 8.31, or equivalent. Any person newly hired as an RST shall have all work reviewed and approved by the Site RSO as part of a comprehensive training program until appropriate course training is completed, and at least for 6 months from the date of appointment.

- 9.8 Written standard operating procedures (SOPs) shall be established for all operational activities involving radioactive materials that are handled, processed, stored, or transported by employees. The SOPs shall include appropriate radiation safety practices to be followed in accordance with 10 CFR Part 20. SOPs for operational activities shall enumerate pertinent radiation safety practices to be followed.

Written SOPs shall be established for non-operational activities described in the Operations Plan and Reclamation Plan of the approved license application dated July 28, 1995, including in-plant and environmental monitoring, bioassay analysis, and instrument calibration. An up-to-date copy of each SOP shall be kept in each area where it is used.

All SOPs for activities described in the Operations and Reclamation Plan of the approved license application shall be reviewed and approved in writing by the RSO, Safety Director, Environmental Manager, or Operations Manager, as appropriate, before being implemented and whenever a change in a procedure is proposed. All existing facility SOPs related to activities involving the handling, processing, storing, or transporting of radioactive materials shall be reviewed by the CRSO on an annual basis.

- 9.9 Release of equipment, materials, or packages from the restricted area shall be in accordance with, "Guidelines for Decontamination of Facilities and Equipment Prior to Release for Unrestricted Use or Termination of Licenses for Byproduct or Source Materials," dated May 1987, or suitable alternative procedures approved by the NRC prior to any such release.

- 9.10 Any corporate organization changes affecting the assignments or reporting responsibilities of the radiation safety staff as described in the Operations Plan of the approved license application and as shown in the

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submittal dated July 28, 1995, shall conform to Regulatory Guide 8.31.

9.11 The licensee is hereby exempted from the requirements of Section 20.1902(e) of 10 CFR 20 for areas within the facility, provided that all entrances to the facility are conspicuously posted in accordance with Section 20.1902(e) and with the words, "ANY AREA WITHIN THIS FACILITY MAY CONTAIN RADIOACTIVE MATERIAL."

9.12 Before engaging in any developmental activity not previously assessed by the NRC, the licensee shall administer a cultural resource inventory. All disturbances associated with the proposed development will be completed in compliance with the National Historic Preservation Act (as amended) and its implementing regulations (36 CFR 800), and the Archaeological Resources Protection Act (as amended) and its implementing regulations (43 CFR 7).

In order to ensure that no unapproved disturbance of cultural resources occurs, any work resulting in the discovery of previously unknown cultural artifacts shall cease. The artifacts shall be inventoried and evaluated in accordance with 36 CFR Part 800, and no disturbance shall occur until the licensee has received authorization from the NRC to proceed.

**SECTION 10: Operations, Controls, Limits, and Restrictions**

10.1 The licensee shall use a lixiviant composed of native groundwater, carbon dioxide gas, and oxygen gas or hydrogen peroxide, as described in the Operations Plan of the approved license application. Any variation from this combination shall require a license amendment.

10.2 The licensee shall perform mechanical well integrity tests on each injection and production well before the wells are utilized and on wells that have been serviced. Integrity tests shall be performed using techniques approved in the Underground Injection Control program administered by the State of Wyoming and the Operations Plan of the approved license application. Any failed well casing that cannot be repaired to pass the integrity test shall be plugged and abandoned.

10.3 Baseline groundwater quality sampling shall provide representative pre-mining groundwater quality data and restoration criteria as described in the Operations Plan of the approved license application. The data shall, at a minimum, consist of the following sampling and analyses:

- A. Two separate samples shall be collected at least 14 days apart from monitoring wells completed within the mineralized zone production patterns (MP-Wells). Samples shall be analyzed for alkalinity, ammonium, arsenic, barium, bicarbonate, boron, cadmium, calcium, carbonate, chloride, chromium, copper, electrical conductivity, fluoride, iron, magnesium, manganese, mercury, molybdenum, nickel,

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nitrate, pH, potassium, radium-226, selenium, sulfate, total dissolved solids, uranium, vanadium.

- B. After completing the above described sampling, two separate samples shall be collected at least 14 days apart in the MP-Wells and analyzed for bicarbonate, chloride, electrical conductivity, sulfate, total dissolved solids, iron, pH, selenium, uranium, and radium. Arsenic and/or fluoride shall also be analyzed if either constituent is measured above the detection limit from the sampling performed under Part A of this condition.
- C. At monitoring wells completed in the ore zone and surrounding the perimeter of the pattern areas (M- and T-Wells), one sample shall be collected and analyzed for the parameters described in Part A of this condition, and three additional samples collected and analyzed for chloride, bicarbonate, and electrical conductivity. All samples shall be collected at least 14 days apart.
- D. At monitoring wells completed in the overlying and underlying zones (MO- and MU-Wells), two samples shall be collected and analyzed for the parameters described in Part A of this condition, and two additional samples collected and analyzed for chloride, bicarbonate, and electrical conductivity. All samples shall be collected at least two weeks apart.

- 10.4 The wells for establishing baseline groundwater quality in each mining unit shall consist of the following, in accordance with the Operations Plan of the approved license application and appropriate SOPs: (1) all mining unit perimeter monitor wells, (2) an adequate number of upper and lower aquifer monitoring wells to provide representative coverage for detecting vertical excursions of all production pattern areas within a wellfield, and (3) at least one production zone monitor well per 3 acres of production pattern area. A minimum of five of these wells shall be installed per mine unit.
- 10.5 To ensure the total satellite capacity is not exceeded, the annual throughput shall not exceed an average flow rate of 7500 gallons per minute, exclusive of restoration flow. Yellowcake production shall not exceed 1.897 million pounds annually.
- 10.6 Radium settling ponds shall have at least 3 feet of freeboard. The Satellite 1 and Satellite 2 purge storage reservoirs shall have at least 4 feet of freeboard. The licensee shall at all times maintain sufficient capacity in the Satellite 1 purge storage reservoirs to enable transferring the contents of any one radium settling pond to the reservoir. In the event of a radium settling pond leak and subsequent transfer of liquid, the freeboard requirements for the purge storage reservoir may be suspended during the repair period.

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- 10.7 All liquid effluents from process buildings and other process waste streams, with the exception of sanitary wastes, shall be disposed of as described in the Operations Plan of the approved license application.
- 10.8 The licensee shall maintain effluent control systems as specified in Sections 9.1.3 and 9.1.4 of the Operations Plan of the approved license application with the following additions:
- A. Operations shall be immediately suspended in the dry/pack area of the facility if any of the emission control equipment for the yellowcake drying or packaging areas is not operating within specifications for design performance.
  - B. The licensee shall, during all periods of yellowcake drying operations, assure that the scrubber is operating within the manufacturer's recommended ranges for water flow and air pressure differential necessary to achieve design performance. This shall be accomplished by either (1) performing and documenting checks of water flow and air pressure differential approximately every four (4) hours during operation, or (2) installing instrumentation which will signal an audible alarm if either water flow or air pressure differential fall below the manufacturer's recommended levels. If an audible alarm is used, its operation shall be checked and documented daily.
  - C. Air pressure differential gauges for other emission control equipment shall be read and the readings documented once per shift during operations.
- 10.9 The licensee shall be required to use a Radiation Work Permit (RWP) for all work or nonroutine maintenance jobs where the potential for significant exposure to radioactive material exists and for which no standard written operating procedure exists. All RWPs shall be accompanied by a breathing zone air sample or an applicable area air sample. The RWP shall be issued by the RSO, or his designate qualified by way of specialized radiation protection training, and shall at least describe the following:
- A. The scope of the work to be performed,
  - B. Any precautions necessary to reduce exposure to uranium and its daughters,
  - C. The supplemental radiological monitoring and sampling necessary prior to, during, and following completion of the work, and
  - D. A review and documentation by the RSO of all nonroutine activities.
- 10.10 Any visitor, including contractors, shall be required to register at the main office and shall be appropriately instructed in security, safety, and



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radiation protection prior to entering process areas. Visitors, including contractors, shall be required to register at a designated sign-in station and shall be instructed in security, safety, and radiation protection, when appropriate, prior to entering a wellfield.

- 10.11 The licensee shall require that all process and maintenance workers who work in uranium recovery areas; or work on equipment contaminated with radioactive materials, wear the proper protective clothing and personal protective equipment, as appropriate, to provide adequate worker protection in accordance with 10 CFR 20.
- 10.12 Within restricted areas, eating shall be allowed only in designated eating areas.
- 10.13 Before leaving any restricted area, all process workers shall shower or monitor themselves in conformance with Regulatory Guide 8.30. In addition, all radiation survey instruments shall be operationally checked in conformance with Regulatory Guide 8.30.
- 10.14 All radiation monitoring, sampling, and detection equipment shall be recalibrated after each repair and as recommended by the manufacturer, or at least annually, whichever is more frequent. In addition, all radiation survey instruments shall be operationally checked with a radiation source each day when in use.
- 10.15 The licensee shall maintain an area within the restricted area boundary for temporary storage of contaminated materials. All contaminated wastes and evaporation pond residues shall be disposed at a licensed radioactive waste disposal site licensed to accept 11(e)2 byproduct material.

**SECTION 11: Monitoring, Recording, and Bookkeeping Requirements**

- 11.1 Flow rates for production wells shall be measured and recorded on a daily basis. Injection flow rates shall be measured and recorded at least every 3 days.
- 11.2 Wellfield monitoring wells at operating areas, excluding groundwater restoration, shall be monitored at no more than 14 days apart, in accordance with the Operations Plan of the approved license application.
- 11.3 The licensee shall establish Upper Control Limits (UCLs) for each mining unit, prior to operation, in conformance with the Operations Plan of the approved license application and appropriate SOPs. The UCL parameters shall be chloride, bicarbonate, and electrical conductivity. UCL criteria shall be calculated as described in the Operations Plan of the approved license application. UCLs shall be applied to all monitor wells in conformance with

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the Operations Plan and the Reclamation Plan of the license application. Lixiviant excursions shall be verified and monitored in conformance with the Operations Plan and appropriate SOPs. Corrective actions for confirmed excursions may be, but are not limited to, those described in the Operations Plan.

- 11.4 The licensee shall establish an effluent and environmental monitoring program in accordance with the Operations Plan of the approved license application and the WDEQ-Water Quality Division Wastewater Land Application Permit No. 92-077 dated April 16, 1992, and Table 7 of the "WDEQ-Water Quality Division Application for Satellite No. 2 Wastewater Land Application-Facility," dated September 30, 1993. Prior to release for unrestricted use, the licensee shall demonstrate that radionuclide levels meet applicable criteria.
- 11.5 The results of the following activities, operations, or actions shall be documented: sampling; analyses; surveys or monitoring; survey/monitoring equipment calibrations; reports on audits and inspections; all meetings and training courses required by this license; and any subsequent reviews, investigations, or corrective actions. Unless otherwise specified in the NRC regulations, all such documentation shall be maintained for a period of at least five (5) years.
- 11.6 During production, the RSO, RST, or a trained designee shall perform and document a daily walk-through inspection of all operating areas to ensure all radiation protection and monitoring requirements are being followed.
- 11.7 The licensee shall perform alpha contamination surveys of the change rooms, eating areas, and offices in conformance with Regulatory Guide 8.30. If bioassay samples are analyzed in house, the licensee shall survey laboratory work surfaces as specified in Regulatory Guide 8.31.
- 11.8 Occupational exposure calculations shall be performed and documented within 1 week of the end of each regulatory compliance period as specified in 10 CFR 20.1201 and 10 CFR 20.1204(d). Routine radon daughter and particulate samples shall be analyzed in a timely manner to allow exposure calculations to be performed in accordance with this condition. Nonroutine samples shall be analyzed and the results reviewed by the RSO within two (2) working days after sample collection.
- 11.9 The pipeline that transports waste water from the Satellite 2 to Satellite 1 treatment facility shall be monitored as follows:
- A. Standpipes shall be utilized at 1000-foot intervals along the pipeline route for leak detection. Standpipes shall be monitored for leak detection and integrity on a monthly basis. All observations and maintenance checks shall be recorded.

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B. Logs for pump rates and volumes shall be maintained on a daily frequency.

11.10 The licensee shall implement a urinalysis program as outlined in Regulatory Guide 8.22 and the Operations Plan of the approved license application.

11.11 The licensee shall perform and document a daily visual inspection of the waste solution disposal system. The NRC shall be notified by telephone within 48 hours, in accordance with License Condition 9.2, if an inspection indicates that a non-routine, unanticipated discharge has taken place.

A written report shall be filed with the NRC, in accordance with License Condition 9.2, within 30 days of first notifying the NRC that a non-routine, unanticipated discharge incident occurred. This report shall include analytical data and describe the mitigative actions and the results of that action.

**SECTION 12.0: Reporting Requirements**

12.1 In conjunction with baseline water quality data, hydrologic test results depicting hydrologic properties shall be conducted in conformance with the Operations Plan of the approved license application and appropriate SOPs. The data, results, and findings of the hydrologic testing shall be documented in a report and maintained until wellfield restoration is completed and approved by NRC.

12.2 The results of effluent and environmental monitoring shall be reported to the NRC in accordance with 10 CFR 40.65. This report shall also include the following:

- A. Results from employee urinalyses if an exposure exceeds action levels described in the Operations Plan of the approved license application.
- B. Injection rates, recovery rates, and injection trunk-line pressures for each satellite facility.
- C. Water quality analyses and monitoring results, as required by WDEQ permit, for the operating irrigation sprinkler systems.

Monitoring data shall be reported in the format shown in the NRC guidance entitled, "Sample Format for Reporting Monitoring Data."

12.3 In the event a lixiviant excursion is confirmed by groundwater monitoring, NRC shall be notified by telephone within 24 hours and by letter within 7 days from the time the excursion is confirmed, in accordance with License Condition 9.2. In addition, a written report shall be submitted to the NRC

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within 60 days of excursion confirmation. The report shall describe the excursion event, corrective actions taken, and results obtained. If the excursion is not controlled at the time the report is submitted, the licensee shall suspend injection of lixiviant within the mining unit including and adjacent to the well on excursion until such time as the excursion is considered controlled or has been terminated. If, at the time of reporting, the licensee can demonstrate that the excursion is controlled, the licensee may inject lixiviant at a rate which does not change or hinder the trend in groundwater quality improvement.

Control of an excursion shall be demonstrated by groundwater quality and water level data, which show that the degraded water plume has not increased in extent, and show that the groundwater quality of the impacted area is improving.

12.4 In the event radium settling pond analyses indicate that an impoundment is leaking, the NRC shall be notified by telephone within 48 hours of verification, in accordance with License Condition 9.2. Standpipe water quality samples shall be analyzed for chloride and conductivity once every 7 days during the leak period and once every 7 days for at least 2 weeks following repairs. Additionally, water samples collected at the pond standpipe shall be analyzed for the full suite of parameters as defined in the WDEQ, Land Quality Division, Guideline 8, Appendix 1, at least once per month during the leak period.

A written report shall be filed with the NRC within 60 days of first notifying the NRC that a leak exists. This report shall include analytical data, describe mitigative action, and discuss the results of that action.

12.5 The licensee shall report incidents in accordance with 10 CFR 20.2202. Additionally, 1 month subsequent to a reportable incident, a written report shall be submitted to the NRC detailing the conditions leading to the incident, corrective actions taken, and results achieved.

12.6 The licensee shall conduct restoration activities in accordance with the groundwater restoration plan included in the Reclamation Plan of the approved license application. The primary goal of restoration shall be to return the groundwater quality, on a production unit average, to baseline conditions. A secondary goal of returning the groundwater to a quality consistent with the premining use or uses, in accordance with the Reclamation Plan of the approved license application.

12.7 The licensee shall submit a detailed decommissioning plan to the NRC for review and approval at least 12 months prior to final shutdown of mining operations.

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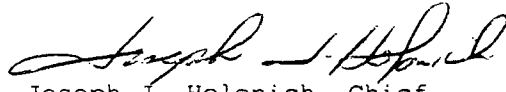
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12.8 An audit team comprising licensee management shall perform an annual ALARA audit of the radiation safety program in accordance with Regulatory Guide 8.31. The RSO shall accompany the audit team. A report of this audit shall be retained on site for NRC inspection. The report shall also summarize the results of the daily walk-through inspections.

FOR THE NUCLEAR REGULATORY COMMISSION

Date:

*August 8 1997*



Joseph J. Holonich, Chief  
Uranium Recovery Branch  
Division of Waste Management  
Office of Nuclear Material Safety  
and Safeguards