

November 7, 2012

Ms. Pamela Phillips, Director
U.S. Environmental Protection Agency
Region 6
1445 Ross Ave, Ste 1200
Dallas, TX 75202-2733

SUBJECT: 2012 – FIRST QUARTER PROGRESS REPORT FOR THE UNITED NUCLEAR CORPORATION CHURCH ROCK URANIUM MILL SITE IN MCKINLEY COUNTY, NEW MEXICO, SOURCE MATERIAL LICENSE NO. SUA-1475

Dear Ms. Phillips:

In accordance with the Memorandum of Understanding (MOU) between the U.S Nuclear Regulatory Commission (NRC) and U.S. Environmental Protection Agency (EPA) for the United Nuclear Corporation (UNC) Church Rock Mill site, the NRC staff is providing this quarterly progress report on remediation activities at the site [Agencywide Document Access and Management System (ADAMS) Accession Number ML112790513]. Section V.A.4 of the MOU requires NRC “to provide EPA with progress reports on UNC remediation on a quarterly basis”.

Remediation activities at the UNC Church Rock Mill site are ongoing in accordance with NRC Source Material License SUA-1475. License Condition 30.C requires UNC to submit, on a semiannual frequency, a groundwater monitoring report, and a corrective action program review, by January 30 of each calendar year that describes the progress towards attaining groundwater protection standards. License Condition 31 requires UNC to submit an annual survey of land use to the NRC by March 31 of each year. License Condition 25 also requires annual updates to the surety amount to adequately cover the estimated costs of decommissioning, decontamination and long-term surveillance activities if accomplished by a third party.

During the period of January 2012 to October 2012, UNC submitted the following information; included for informational purposes are the NRC’s formal correspondences to the licensee during this period:

- Annual Review Report -2011, Groundwater Corrective Action dated January 2012 [ML12220A034].
- Annual ALARA Audit dated January 30, 2012 [ML12220A036].
- Semi-Annual Groundwater Monitoring Report, Second Half – July thru December 2011 dated February 21, 2012. [ML1283A300; ML12083A302].
- Church Rock Financial Surety Update – Source Material License No. SUA-1475 dated March 21, 2012 [ML121170190].
- License Amendment Request for Revised Groundwater Protection Standards Based on Updated Background Concentrations dated April 17, 2012 [ML12150A146].

- Consolidation and Water Storage Capacity Related Placement of Mine Material on the Existing UNC Mill Site Tailings Impoundments Report dated May 2011 and formal submitted to the NRC for review on May 22, 2012 [ML1222A159].
- NRC's acknowledgement of Acceptance for Review – License Amendment Request to Revise Groundwater Protection Standards for the United Nuclear Corporation – Church Rock Mill Site, Source Material License SUA-1475 dated June 25, 2012 [ML12172A047].
- NRC's License Amendment No. 46 for Source Material License No. SUA-1475 for the United Nuclear Corporation – Church Rock Mill Site 2012- Annual Surety Update dated July 18, 2012 [ML12172A208; ML12172A036].
- NRC's Preliminary Review of the Consolidation and Water Storage Capacity Related Placement of Mine Material on the Existing UNC Mill Site Tailings Impoundments Report, Prepared for the Northeast Church Rock Mine Site, Gallup, New Mexico dated August 20, 2012 [ML1222A281].
- Semi-Annual Groundwater Monitoring Report, First Half – January – June 2012 dated August 22, 2012 [ML122910629].
- Groundwater Flow Model of the Church Rock Site and Local Area dated October 12, 2012 [ML12305A309].

Although copies of the aforementioned reports have been provided to EPA by the licensee and/or the NRC, these reports are also publicly available in ADAMS. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. 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 Publicly Available Records component of ADAMS. If you have comments or questions regarding this letter, please contact me at 301-415-7319.

Sincerely,

/RA/

Larry. W. Camper, Director
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 40-8907
License No.: SUA-1475

cc: UNC Church Rock Distribution List

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Docket No.: 40-8907
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