



August 29, 2014

Mr. Andrew Persinko
Division of Waste Management & Environmental Protection
Office of Federal & State Materials & Environmental Management Programs
Mail Stop T-8F5
U.S. Nuclear Regulatory Commission
11545 Rockville, Maryland 20852-2738

Re: Docket No. 40-2259, License No. SUA-672

Dear Mr. Persinko:

Condition 22 of the referenced license requires the submittal of the results of effluent and environmental monitoring in accordance with 10 CFR 40.65. This is to advise you that no effluent or environmental monitoring was done during the first and second quarters of 2014 at the Lucky Mc tailings site, consistent with amendment number 64 to the license. The ground water monitoring results for the first and second quarters, 2014 were submitted to the NRC August 11, 2014 in a separate report pursuant to condition 60 of the license. Also enclosed is the annual land use survey required by condition 21 of the license.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Mark Owens', is written over a horizontal line.

R. Mark Owens
General Manager

Encls.

cc: D. B. Spitzberg, U.S. NRC – Region IV

AREVA INC.

Mine Rec Business Development - DIAM
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FSME20

AREVA Inc.
Lucky Mc Mine
SUA-672, License Condition No. 21

Annual Land Use Survey Report
August 29, 2014

General land uses within five miles of the Lucky Mc restricted area boundary:

Land uses during 2013-2014 within five miles of the Lucky Mc restricted area boundary did not change significantly from what was reported for the previous year. Cattle have been grazing on the adjacent open range during late spring through the fall and are typically removed for the winter. No commercial sheep grazing was observed in the area recently.

AREVA activities over the past year relating to the restricted area included periodic monitoring of the site status, (the tailings site had been reclaimed a number of years ago), and quarterly well sampling. The erosion control work accomplished during reclamation of the site continues to perform very well.

The nearest (and only) residence is located 5.9 miles to the north-northwest of the northwest corner of the restricted area fence. The site is occupied part-year and a domestic water well is used. No other potable water source was utilized in the general area this past year. Livestock and wildlife continue use of stock watering ponds which occur within five miles of the restricted area boundary. The closest such pond to the restricted area, the Lucky Mc mine runoff settling pond immediately to the east of Tailings Pond #1, was fenced during the spring, 2003, to temporarily exclude cattle from the pond and the adjacent reclamation. The dam for that pond was intentionally breached in late 2005 as part of the mine reclamation. However, there is residual storage capacity in that pond below the breach spill elevation. The residual pond was re-permitted in 2010 with the Wyoming State Engineer as a stock watering source. This was done in anticipation of eventual site transfer to the U.S. Department of Energy since the pond will be within the transfer area. There is a stock watering well located just east of Reid Draw some two miles north of the north end of the restricted area. Of significance, title to the transfer area property was deeded to the U.S. Department of Energy in 2010.

No uranium mining occurred during the past year in the Gas Hills. The former mining property holdings owned by AREVA through Pathfinder Mines in Wyoming were sold to UrEnergy late in 2013.

The ownership of the mining property adjacent and to the south of the Gas Hills North (Lucky Mc) site also changed in 2013. The current owner has continued uranium claim maintenance in the Gas Hills, and is evaluating a joint project development with another property located in the Crooks Gap mining district, approximately 28 miles away.

A third company has been issued a permit to mine by the WDEQ and conditional license from the USNRC for an ISR operation centered on the former Carol Shop site southeast of the Gas Hills North (Lucky Mc) site. That project has achieved regulatory approval but to the knowledge of AREVA is not currently in development.

The primary recreational use of the subject area continued to be the sport hunting of antelope, deer, and sage grouse during the fall months; cottontail rabbits and coyotes from fall through winter; and prairie dogs throughout the year.