



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION IV
1600 E LAMAR BLVD
ARLINGTON, TX 76011-4511

July 1, 2016

John W. Cash, Vice President of Regulatory Affairs
Exploration and Geology
Lost Creek ISR, LLC
5880 Enterprise Drive, Suite 200
Casper, WY 82609

**SUBJECT: LOST CREEK ISR - RESPONSE TO NOTICE OF VIOLATION AND NRC
INSPECTION REPORT 040-09068/15-002 AND INVESTIGATION REPORTS
4-2014-014 & 4-2014-027**

Dear Mr. Cash:

On January 7, 2016, the U.S. Nuclear Regulatory Commission (NRC) cited four Notice of Violations related to: 1) the failure to perform daily inspections of two storage ponds; 2) failure to place contaminated waste in covered containers while temporarily stored in a restricted area; 3) failure to demonstrate an inward hydraulic gradient in each individual production area, and; 4) failure to maintain the minimum freeboard in the two storage ponds. The Notice of Violations, enclosed with Inspection Report 040-09068/15-002 (ML16007A102), required you to respond in writing within 30 days. You responded by letter dated February 4, 2016 (ML16053A142).

After reviewing the information you provided in your response to the Notice of Violations, we have concluded that your completed and proposed actions appear to adequately address the regulatory noncompliance described in the Notice of Violations. We will review your implementation of these corrective actions during a future inspection to determine whether full compliance has been restored and whether compliance will be maintained.

J. Cash

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

Sincerely,

/RA/

Jack E. Whitten, Chief
Fuel Cycle and Decommissioning Branch
Division of Nuclear Materials Safety

Docket No. 040-09068

License No. SUA-1598

cc:

Scott W. Ramsay
Radiological Services Supervisor
Wyoming Office of Homeland Security
5500 Bishop Blvd. Door #1
Cheyenne, WY 82002

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Bureau of Land Management
P.O. Box 2407
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Department of Environmental Quality
Land Quality Division
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510 Meadowview Drive
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Mark Rogaczewski, Supervisor
Land Quality Division, District 3
Wyoming Department of Environmental Quality
2100 West 5th Street
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Todd Parfitt, Director
Wyoming Department of Environmental Quality
Land Quality Division
Herschler Building
122 W. 25th Street
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ADAMS ACCESSION NUMBER: ML16189A406

<input checked="" type="checkbox"/> SUNSI Review By: LMG	ADAMS: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Sensitive <input checked="" type="checkbox"/> Non-Sensitive	<input type="checkbox"/> Non-Publicly Available <input checked="" type="checkbox"/> Publicly Available	Keyword
OFFICE	DNMS:FCDB			C:FCDB
NAME	LMGersey			JEWhitten
SIGNATURE	/RA/			/RA/
DATE	7/1/16			7/1/16

Letter to John W. Cash from Jack E. Whitten dated July 1, 2016

SUBJECT: RESPONSE TO NOTICE OF VIOLATION AND NRC INSPECTION REPORT
040-09068/15-002 AND INVESTIGATION REPORTS 4-2014-014 & 4-2014-027

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