8/29/2016

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R. Mark Owens SteelCats, LLC

Mr. Andrew Persinko, Deputy Director
Decom and Uranium Recovery Licensing Directorate
Division of Waste Mgmt and Env Protection,
Office of Federal and State Materials and Environmental Management Programs
Mail Stop T8-F5
U.S. Nuclear Regulatory Commission
11545 Rockville, MD 20852-2738

Ref: Docket No. 40-2259, Source Material License No. SUA-672 Annual Land Use Survey Report

Dear Mr. Persinko,

Land use during 2015-2016 within five miles of the Lucky Mc restricted area boundary did not change significantly from what was reported for the previous year. Cattle are normally present in the area during the spring and summer but are typically removed winter because of the severe conditions. Commercial sheep grazing was observed about 1 mile south of the restricted area in July 2016.

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 nearby) residence is located approximately 4.9 miles to the west-northwest of the northwest corner of the restricted area fence. The site is occupied year round and a domestic water well is available but not used because of poor quality. No other potable water source utilized in the general area was known to be used 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 is located immediately to the east of Tailings Pond #1. That pond was fenced during the spring, 2003, to temporarily

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exclude cattle from the pond. During July 2016 the adjacent mine reclamation operator had that fencing removed under guidance of the Wyoming Department of Environmental Quality. The dam for the 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. With continued low Uranium market prices near term development seems unlikely by the several mineral property owners in the district.

Sincerely,

R. Mark Owens

Consultant for AREVA, Inc.

## Enclosure

Cc: D. B. Spitzberg, USNRC Region IV

Cc: Document Control

Cc: Rodney Bradley, AREVA