8/15/2017

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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 – License Condition #21

Dear Mr. Persinko,

Land use during 2016-2017 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 in winter because of the severe conditions. Commercial sheep grazing was observed about 6 miles west of the restricted area in July 2017.

AREVA activities over the past year relating to the restricted area included periodic monitoring of the site status, (the tailings site was 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 westnorthwest 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 water quality. No other potable water source 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 exclude



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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 also a stock watering well located just east of Reid Draw some two miles north of the north end of the restricted area. These ponds and the mine reclamation lakes south of tailings are all used by local ranching and wildlife.

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. Some recent investment in the district was made by development companies, but with continued low Uranium market prices near term operational activity or other development is unlikely.

Sincerely,

R. Mark Owens Consultant for AREVA, Inc.

Enclosure Cc: D. B. Spitzberg, USNRC Region IV Cc: Document Control Cc: Paul Mifsud, AREVA

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