



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

June 27, 2019

Ms. Sandra Ross
Site Manager
Rio Algom Mining LLC
Grants, New Mexico 87020

SUBJECT: RIO ALGOM MINING LLC RESPONSE TO U.S. NUCLEAR REGULATORY COMMISSION REQUEST FOR ADDITIONAL INFORMATION FOR RIO ALGOM SECTION 4 PONDS AREA ENVIRONMENTAL REPORT AND LICENSE AMENDMENT REQUEST, AMBROSIA LAKE FACILITY, LICENSE SUA-1473

Dear Ms. Ross:

By letter dated April 11, 2019, Rio Algom Mining LLC (RAML) submitted a response to the U. S. Nuclear Regulatory Commission (NRC) Request for Additional Information (RAI) for the Section 4 Ponds Area Environmental Report, (Agencywide Documents Access and Management System Accession Number ML19106A358). The NRC staff has completed its acceptance review of RAML's response and finds that further information is needed for RAI item #4 before NRC staff can continue their review of RAML's response.

RAML completed a radium benchmark dose assessment on the Section 4 Ponds area and assumed zero concentration of radioactive contaminants in the subsurface (>12-inch depth). In NRC Staff's RAI document dated February 12, 2019 (ML18318A262), RAI item #4 requested information and data from the alluvium and Mancos Formation sand layers beneath the Section 4 Ponds that supports the assumption of zero subsurface contamination (for both radioactive and non-radioactive hazardous contaminants). RAML's response to RAI #4 provided useful information on historical releases associated with tears in the pond liners, specifically trends in groundwater levels and an indicator element (chloride) concentrations in the alluvium during operations. However, the information provided was found to be insufficient.

Additional information or explanation is needed on: (i) hotspots reflected gamma scans in the footprint of the ponds that are not associated with identified tears in the liner, (ii) the possibility of hotspots associated contamination extending deeper in the alluvium, (iii) the distribution of the contamination associated with the 2000 tear in the liner given the duration of the leak and the distance downstream of monitoring well MW-18, (iv) supporting information that surface contamination reflected in gamma scans at three locations immediately adjacent to the east side of the ponds is linked to upstream mine discharge, and (v) if or how the monitoring wells reflect groundwater levels in the alluvium given that many are terminated in the alluvium, such that the bedrock depth is not known.

Please submit the above-referenced information within 120 days of the date of this letter. NRC staff would like to meet (via a teleconference) with RAML in the near future on a date that is mutually satisfactory to RAML and NRC staff to discuss this matter further and provide clarification of the information requested above.

S. Ross

The NRC staff has prepared a schedule for its review of this amendment request. The schedule shown below is based on several assumptions, including:

- RAML adequately responds to this request within 120 days of this letter so that the NRC staff can complete their review.
- The number and complexity of comments provided by the State of New Mexico does not require more time and effort than anticipated for resolution.
- No lapse in appropriations for the NRC or the New Mexico Environment Department.
- No hearing request on the amendment request.

| NRC Milestones | Projected Completion Date |
|--------------------------------|----------------------------------|
| Daft Environmental Assessment | September 14, 2019 |
| Final Environmental Assessment | January 13, 2020 |
| Final Safety Evaluation Report | July 23, 2020 |
| Issue Amended License | July 30, 2020 |

In accordance with 10 *Code of Federal Regulation* (10 CFR) 2.390 of the NRC's "Agency Rules of Practice and Procedure," 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. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. If you have any questions, contact me at Thomas.Lancaster@nrc.gov or (301) 415-6563.

If you have any questions concerning this letter, please contact me at 301-415-6563 or via email at thomas.lancaster@nrc.gov.

Sincerely,

//RA//

Tom Lancaster, Project Manager
 Uranium Recovery and Materials
 Decommissioning Branch
 Division of Decommissioning, Uranium Recovery
 and Waste Programs
 Office of Nuclear Material Safety
 and Safeguards

Docket No: 40-8905
 License No. SUA-1473

cc: A. Rheubottom (NMED)

S. Ross

SUBJECT: RIO ALGOM MINING LLC RESPONSE TO NRC REQUEST FOR
 ADDITIONAL INFORMATION FOR RIO ALGOM SECTION 4 PONDS
 AREA ENVIRONMENTAL REPORT AND LICENSE AMENDMENT
 REQUEST, AMBROSIA LAKE FACILITY, LICENSE SUA-1473

DATE: June 27, 2019

ADAMS Accession No.: ML19170A340 ***via email**

| | | | | | |
|--------|----------|------------|----------|----------|------------|
| OFFICE | DUWP | DUWP | DUWP | DUWP | DUWP |
| NAME | RFedors* | TLancaster | SAchten* | BVontill | TLancaster |
| DATE | 6/12/19 | 6/14/19 | 6/19/19 | 6/ 27/19 | 6/27/19 |

OFFICIAL RECORD COPY