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DOCKET NO .: 40-4492

LICENSEE: Federal-American Partners

FACILITY: Federal - American Partners-Uranium Mill =

SUBJECT: AMENDMENT NO. 5 TO SOURCE MATERIAL LICENSE SUA-667

1.0 Introduction

By letter dated November 9, 1978, Federal-American Partners requested that Source Material License SUA-667 be amended to authorize the construction of a fifteen (15) foot lift on their tailings dam No. 2. This lift will provide tailings storage capacity until a below grade disposal method is approved by the NRC and Wyoming Department of Environmental Quality, approximately August, 1981.

2.0 Review Scope

The licensee's submittals concerning the proposed raise were reviewed to ascertain the safety and environmental impacts associated with the proposed modification. Following is a list of licensee submittals which were reviewed in conjunction with this amendment request:

- Tailings Dams and Appurtenance Works, Area Information and Design Report for Application to Construct, Federal American Partners, received Oct. 31, 1977.
- Geotechnical Investigation for the Proposed Extensions of Tailing Dams Numbers 1 and 2, by F. M. Fox & Assoc., June 16, 1978.
- Revision of Design for the Proposed Tailing Dam No. 2, by F. M. Fox and Associates, July 19, 1978.
- Stability Analysis for the Revised Design of Tailing Dam No. 2, by F. M. Fox and Associates, November 24, 1978.
- Supplemented Geotechnical Investigation and Stability Analysis for the Proposed Tailing Dam No. 2, by F. M. Fox and Associates, April 1979.
- Letter from K. Wright, FAP to L. Rouse, NMSS, providing details of applicant's commitments to meet license conditions, dated October 24, 1978.
- Letter from F. M. Fox and Associates dated March 30, 1979, to Mr. Ken Wright, Federal American Partners, providing responses to Hydrologic Engineering Questions.
- Letter from F. M. Fox and Associates dated April 18, 1979, to Pete Garcia, NMSS providing corrected area-capacity curve for pond no 2.
- 9. Letter from F. M. Fox and Associates dated May 21, 1979, to Pete Garcia, providing information concerning a postulated rupture of the tailings discharge line. 7908230172

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2.1 Safety Impacts

Safety impacts of the proposed mc_ification were reviewed by NMSS with technical assistance being provided by NRR. The staff has concluded that the proposed addition to tailings dam no. 2 will result in a safe retention system which meets the criteria of Regulatory Guide_3_1:

2.2 Environmental Impacts

Ailings pond no. 2 is designed as a solids storage facility. Liquid will be decanted from pond no. 2 to the existing pond no. 1, as is currently the oractice. The proposed addition to dam no. 2 is for the purpose of providing additional solids and flood storage capacity. The staff expects no increase in either the hydraulic head or the surface area in pond no. 2 as a result of the proposed modification. Therefore, the modification is not expected to result in an increase in seepage. In addition, since there is no increase in surface area there should be no change in the radon and particulate source terms from the tailings area.

3.0 Conclusion

The staff has concluded that issuance of Amendment No. 5 to Source Material License SUA-667 will not constitute an undue risk to the health and safety of the public, or result in any significant incremental environmental impacts. Therefore, pursuant to 10 CFR 51, Section 51.5, environmental impact statement, negative declaration, or an environmental impact appraisal need not be prepared. Approval of a license amendment authorizing the proposed modification is recommended.

Original Signed by

Pete J. Garcia Uranium Recovery Licensing Branch Division of Waste Management

Original Signed by

Approved

John J. Linehan Uranium Recovery Licensing Branch Division of Waste Management

* Safety Evaluation Reports. Enclosure H - Geotechnical Engineering Enclosure B - Hydriclogic Engineering