



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
611 RYAN PLAZA DRIVE, SUITE 1000  
ARLINGTON, TEXAS 76011

PDR: 19

May 4, 1979

License Nos. SUA-1324  
SUA-1325

Energy Fuels Nuclear, Inc.  
ATTN: Mr. M. D. Vincelette  
Vice President and  
General Manager  
Three Park Central, Suite 445  
1515 Arapahoe  
Denver, Colorado 80202

Gentlemen:

This refers to the inspection conducted by Mr. C. L. Cain of this office on April 17-19, 1979, of the activities authorized by NRC Source Material License Nos. SUA-1324 and SUA-1325 and to the discussion of our findings held by Mr. Cain with Messrs. R. B. Smith and D. L. Roberts on April 19, 1979.

The inspection was an examination of the activities conducted under the licenses as they relate to radiation safety and to compliance with the Commission's rules and regulations, and the conditions of the licenses. The inspection consisted of selective examinations of procedures and representative records, interviews of personnel, independent measurements and observations by the inspector.

Mr. Cain also reviewed the action you had taken with respect to two items of noncompliance with License No. SUA-1324 and one item of noncompliance with License No. SUA-1325 observed during our previous inspection, which was conducted May 1 and 2, 1979. He verified that the corrective action with respect to these items was implemented as stated in your reply of May 21, 1978 to our letter dated May 8, 1978.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements, as set forth in the Notices of Violation, enclosed herewith. These items of noncompliance have been categorized into the levels as described in the correspondence to you dated December 31, 1974.

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May 4, 1979

These notices are sent to you pursuant to the provisions of Section 2.201 of the NRC "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within twenty (20) days of your receipt of these notices, a written statement or explanation in reply including: (1) corrective actions which have been taken by you and the results achieved; (2) corrective actions which will be taken to avoid further items of noncompliance; and (3) the date when full compliance will be achieved.

Should you have any questions concerning this letter, please let me know.

Sincerely,



Glen D. Brown, Chief  
Fuel Facility and Material  
Safety Branch

Enclosures:  
Notices of Violation

510 083