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

SEP 4 1979

MEMORANDUM FOR: Ross A. Scarano, Chief  
Uranium Recovery Licensing Branch

FROM: Peter J. Garcia  
Operating Facilities Section  
Uranium Recovery Licensing Branch

THRU: John J. Linehan, Section Leader  
Operating Facilities Section  
Uranium Recovery Licensing Branch

SUBJECT: MINUTES FOR MEETING WITH ATLAS MINERALS (DOCKET NO. 40-3453)

Date: August 8, 1979

Place: Silver Spring, Maryland

Purpose: To discuss Atlas' proposed dam raise and several conditions to the Atlas license.

Attendees: Atlas - G. Swanby R. Alcock  
NRC - J. Linehan P. Garcia

Discussion

The meeting began with a discussion of Atlas' assessment of liquefaction potential in their tailings dam and their proposed dam raise. We (NRC) began by stating that our geotechnical engineering consultant, Dr. Terry Howard, has submitted a draft report covering his review of the Atlas liquefaction analysis. His conclusions were that state-of-the-art procedures and conservative assumptions were employed by the applicant in their analysis, which showed that the dam could be safely raised.

Atlas is currently revising their proposal for the dam raise to make use of the interior dike which was constructed in 1978 to provide storage capacity while the liquefaction issue was being addressed. Atlas will submit the revised construction specifications for NRC review upon completion.

Atlas reported that they have entered into a contract with the state Oil, Gas and Mining Board concerning the financing of the reclamation and decommissioning plan. We informed Atlas that such a contract was not acceptable for reasons given in Section 14.2.3.7 of the GEIS. Atlas is required to provide surety arrangements covering reclamation and decommissioning costs that are acceptable to the NRC by October 23, 1979.

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Atlas is currently considering heap leaching the Tuba City, Arizona, tailings pile located on Indian land. The discussion centered on whether licensing responsibility for such a project would rest with the state or the NRC. Atlas was informed that more specific information on site ownership and their proposal would be needed prior to a the decision on licensing responsibility by NRC legal staff.

Several conditions to the Atlas license were discussed for the remainder of the meeting. These conditions and the related discussions are as follows:

1. Condition 21 - The NRC staff agrees that a minor tailings line failure that spills a few gallons or a few tons of tailings does not need to be reported, provided there is no damage to the tailings dam or release to an unrestricted area. However, any failure that results in release to an unrestricted area or any failure of the tailings dam must be reported.
2. Condition 25(d) - This condition requires that Atlas monitor all mill employees who have not showered after their work shift for alpha radiation at the exit to the change room. Atlas requests that the monitoring location be changed to the guard house. This change will require an administrative amendment. Atlas will act on this matter.
3. Condition 36 - Atlas is required to construct dikes around all hazardous chemical storage tanks. Atlas stated that liquid released from their acid storage tanks would drain toward the solvent-extraction catchment pond, and therefore, dikes around these tanks are not necessary. Changing Condition 36 will require an amendment. Atlas will act on this matter.
4. Condition 44 - Atlas is required to measure gamma radiation levels to identify offsite areas requiring cleanup. The discussion concerned a suitable method for measuring these gamma levels. We informed Atlas that the EPA method is acceptable to NRC. Atlas will look into this.

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5. Condition 45 - This condition requires Atlas to immediately suspend operations in the affected mill areas if any of the emission control equipment for the ore feed or yellow-cake areas is inoperative. Atlas requests that the ore feed area not be included in this condition. An amendment will be required. Atlas will act on this matter.

*Pete J. Garcia Jr.*

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cc: Gordon T. Swanby  
Atlas Minerals

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