



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

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Docket 40-8681

MEMORANDUM FOR: Docket No 40-8681

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

FROM: Daniel M. Gillen  
Uranium Recovery Licensing Branch

SUBJECT: AMENDMENT NO. 2 OF SOURCE MATERIAL LICENSE  
NO. SUA-1358, ENERGY FUELS NUCLEAR - WHITE  
MESA

By letter dated February 11, 1980, Energy Fuels Nuclear, Inc. (EFN) requested interpretation, special dispensation or amendment of SUA-1358 to authorize generation of tailings following completion of Cell 2 and the Cell 2 "Safety Dike" but prior to completion of Cell 1 - Initial. It was determined that the circumstances would require an amendment of the license and EFN submitted a minor amendment fee by letter dated February 19, 1980.

The proposed action is to revise paragraph 4 of Condition No. 25 in the following manner. The present wording requires the completion of Cell 1 - Initial, Cell 2, and the Cell 2 "Safety Dike" prior to generation of tailings. Because a minimum of six to eight months will pass before accumulating enough water in Cell 2 to warrant pumping the water to Cell 1 - Initial, Condition No. 25 has been revised to only require completion of Cell 2 and the Cell 2 "Safety Dike" prior to generation of tailings. Completion of Cell 1 - Initial is required prior to receiving decanted water from Cell 2.

The staff has concluded that issuance of Amendment No. 2 to Source Material License No. SUA-1358 as described above will not constitute and undue risk to the health and safety of the public and will not result in any incremental environmental impacts.

Approval of this amendment with the following changes to paragraph 4 of Condition No. 25 is recommended:

Note: When requirements apply to cell embankments, it is intended that the requirements apply to all of the embankments in the Initial Construction Phase illustrated on Sheet 4 of 16 of the "Engineers Report, Tailings Management System, White Mesa Project, Blanding, Utah," i.e., embankments on the downstream sides of Cell 1 - Initial and Cell 2 and the Cell 2 "Safety Dike" (the Cell 2 "Safety Dike" will become the embankment on the downstream side of Cell 3 during a future phase of construction). Requirements concerning the liner system apply to cells lined during Initial Construction Phase, i.e., Cell 1 - Initial and Cell 2. Therefore, since a minimum of six to eight months are necessary to accumulate enough water in Cell 2 to warrant pumping the water to Cell 1, prior to generation of tailings, only Cell 2 and the Cell 2 "Safety Dike" must be completely constructed. Cell 1 - Initial must be completely constructed prior to receiving decanted water from Cell 2.

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Approved - *J. J. Jurek*  
4/2/80