



UNITED STATES
 NUCLEAR REGULATORY COMMISSION

REGION IV
 URANIUM RECOVERY FIELD OFFICE
 BOX 25325
 DENVER, COLORADO 80225

OCT 16 1989

URFO: PJG
 Docket No. 40-8902
 License No. SUA-1470

ARCO Coal Company
 ATTN: Mr. Ronald S. Ziegler
 Project Manager
 P.O. Box 638
 Grants, New Mexico 87020

Gentlemen:

This refers to the routine unannounced radiation safety inspection conducted by Mr. Pete Garcia of this office on September 27, 1989, of the activities authorized by NRC Source Material License SUA-1470, and to the discussion of our findings held by the inspector with members of your staff at the conclusion of the inspection. The enclosed NRC Inspection Report 40-8902/89-01 documents this inspection.

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

During this inspection, no violations of NRC requirements were identified.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed inspection report will be placed in the MRC's Public Document Room.

Should you have any questions concerning this letter, we will be pleased to discuss them with you.

Sincerely,

Ramon E. Hall
 Director

Enclosure:
 Appendix A - NRC Inspection Report No. 40-8902/89-01

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