



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

PDR

FEB 12 1981

WMUR:GGE  
Docket No. 40-8200

The Cleveland-Cliffs Iron Company  
ATTN: Mr. Truman Louderback  
P. O. Box 3140  
Casper, Wyoming 82602

Gentlemen:

This letter is in response to your request of November 18, 1980, regarding the transfer and ultimate disposal in the Petrotomics Shirley Basin uranium mill tailings pond of the twelve 55-gallon steel drums of waste material from the site restoration activities at the North Rolling Pin Site.

First of all, the authorized place of use, possession and storage of source and byproduct material is strictly controlled by specific license conditions; specifically, by Condition Nos. 8 and 9 of SUA-1199. Therefore, the storage and/or use of licensed material at any other location (e.g., Casper, Wyoming) is not authorized under SUA-1199 and any such activities on your part, unless covered by another license, constitutes a violation of your license, SUA-1199.

Regarding the transfer of your waste material to Petrotomics, such a transfer is authorized under 10 CFR Part 40, provided that the licensee receiving the material is authorized to receive it. In the case of Petrotomics, we issued an amendment to their license on January 29, 1981, authorizing receipt for disposal in their tailings impoundment of surface wastes resulting from uranium solution extraction processes. Therefore, no amendment to your license is needed for you to effect the proposed transfer.

However, because of the unauthorized storage of material in Casper, Wyoming, Cleveland Cliffs shall:

- 1) Complete transfer of the twelve waste drums in an enclosed sole-use vehicle as soon as possible, but no later than March 1, 1981.



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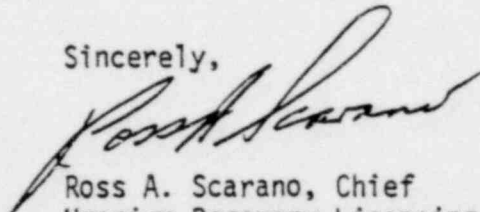
FEB 12 1981

- 2) Upon removal of the twelve drums from the warehouse storage facility in Casper, Wyoming, survey the entire area to assure that there is no gamma or alpha contamination above the levels indicated in Annex C, "Guidelines for Decontamination of Facilities and Equipment Prior to Release for Unrestricted Use or Termination of Licenses for Byproduct, Source, or Special Nuclear Material, dated November 1976".
- 3) Upon removal of the twelve drums from the transport truck, survey the entire vehicle to assure that levels of both gamma and alpha contamination do not exceed the levels specified in Annex C, ibid., prior to release of the vehicle for any other usage.
- 4) Notify the Uranium Recovery Licensing Branch by telephone within 24 hours (301-427-4103) if any contamination levels are found above those in Annex C and initiate decontamination of the affected areas.

The above items were discussed and agreed to on February 12, 1981, in a telephone conversation between your Mr. Louderback and Mr. Greg Eadie of my staff. Upon completion of the above activities, a report detailing the time and date of transport, time and date of actual disposal in the Petrotomics Shirley Basin uranium mill tailings disposal area, and the results of the contamination surveys of the transport truck and of the warehouse shall be submitted prior to March 31, 1981, to the USNRC, Uranium Recovery Licensing Branch, Washington, DC 20555 with copies to Region IV, USNRC.

We feel that the unauthorized storage of material in Casper is a clear indication that proper management attention is not being given to the conditions and restrictions of our license. Therefore, we request that you thoroughly familiarize yourself with your license and contact us if you have any questions on what is and what is not authorized by the license.

Sincerely,



Ross A. Scarano, Chief  
Uranium Recovery Licensing Branch  
Division of Waste Management

Enclosure:  
Annex C

cc: See next page

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CCs to letter to Cleveland-Cliffs Iron Company re Transfer and Ultimate Disposal in the Petrotomics Shirley Basin uranium mill.

cc: J. Hollister  
Cleveland-Cliffs Iron Company  
1400 Union Commerce Bldg.  
Cleveland, Ohio 44115

G. Brown, I&E, Region IV  
D. Sly, I&E