



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

FEB 19 1981

Mr. David K. Lacker, Director  
Division of Occupational Health  
and Radiation Control  
1100 West 49th Street  
Austin, Texas 78756

Dear Mr. Lacker:

This is to confirm the comments made to yourself and your staff at the conclusion of the recent review of the Texas uranium mill regulatory program. As a result of this review, conducted December 15-18, 1980, specific comments and recommendations were developed and are enclosed. I would appreciate receiving a response by March 2, 1981 and a response to my letter to you dated November 17, 1980.

The courtesy and cooperation extended to Mr. Montgomery and Dr. Pettengill during the review was most appreciated.

Sincerely,

*for* *S. Waynekers*

Donald A. Nussbaumer  
Assistant Director  
for State Agreements Program  
Office of State Programs

Enclosure:  
As stated  
Ltr to Dr. Bernstein

8108060167

## I. Chevron Resources Company Uranium Mill

### A. Comment and Recommendation

The licensee's letter of June 16, 1979, requested an amendment authorizing the receipt and processing of uranium concentrate from in-situ plants and the placement of "materials" not suitable for milling in the tailings area. The amendment was granted three weeks later on July 7th. The license file contained no documentation or correspondence to indicate that staff reviewers questioned or asked for clarification of any of the statements contained in the original June 16th letter.

If the licensing staff verbally challenged or asked for clarification of certain statements made by the licensee we recommend documenting these conversations or meetings in the form of a "memo to the file." Ideally, we believe a formal letter should be sent to the licensee listing specific questions, requirements and challenges.

### B. Comment and Recommendation

Between July 1979 and December 1980, there have been numerous accidents, spills, and incidents at the Chevron mill. Despite these problems, no inspectors or other staff members have visited the mill since the last inspection on July 9, 1979.

We believe the failure of two 80,000 gallon ore slurry leach tanks and one yellow-cake thickener tank to be significant accidents calling for an investigation especially when such accidents are accompanied by numerous yellow-cake splashes and spills and urine bioassay results exceeding action levels.

## II. Caithness Mining/McBride, Corroco/Trevino In-Situ Projects

### A. Comment and Recommendation

The review of this license application file revealed a significant correspondence and communications gap between the applicant's submission of the Environmental Report and license application and the publishing of the Environmental Assessment by the staff. As with the Chevron license file, there was no documentation to indicate more than a cursory review was performed by the Department's staff. If meetings and telephone conversations were held, we recommend they be carefully documented to show the areas covered and criteria for decisions made. Discussions concerning the application review and evaluation by the Uranium Mill Licensing Task Force should also be well documented.

Examples of areas that need additional information and follow-up are as follows:

1. Impacts on Endangered Species (Applies to Caithness/McBride only)

This was not addressed in the applicant's Environmental Report. The Department of Health included this in their Assessment but there was no documentation from the applicant to show that an endangered species study had been made.

2. Subsurface Accidents

The failure of well casing and resultant impacts on ground water was not addressed. Well field excursions were briefly mentioned in very general terms.

3. Transportation Accidents

Contingency plans for accidents involving yellow-cake chemical and waste shipments were non-existent in the files reviewed. The Environmental Assessment was published and a 30-day Public Comment period was underway at the time of this file review. The Assessment Document required a contingency plan as part of the licensing requirements. We believe a major requirement such as this should be fulfilled by the applicant prior to publishing the assessment and entering a public comment period.

4. In-Plant Radiological Safety Program

The following subjects were either omitted in the applicants' submissions or inadequately addressed:

Alpha radiation monitoring; instrumentation calibration and maintenance; decontamination procedures; use of protective clothing; respirator training program; bioassay program; special work permit procedures; radiological safety administration, positions, responsibilities and authority; external radiation monitoring program; ALARA program; quality assurance program during construction.

### III. U.S. Steel Corporation In-Situ License

#### A. Comment and Recommendation

The Department of Water Resources apparently assumes much of the responsibility for compliance activities when well field excursions occur. However, radioactive materials license condition 18 requires the licensee to notify the Department of Health within twenty-four hours of an excursion. None of the several excursions which occurred in 1980 were reported

within this time frame. The reporting time lapse was weeks or months. No enforcement action regarding condition 18 was taken for any of the late reports on excursions. If the Department of Water Resources is solely responsible for inspection and enforcement on excursions, condition 18 should be modified or deleted. If the Department of Health intends on taking compliance action, the condition should be enforced. We also strongly recommend that a formal memorandum of understanding be written to delineate the responsibilities of both departments for in-situ uranium mining operations.