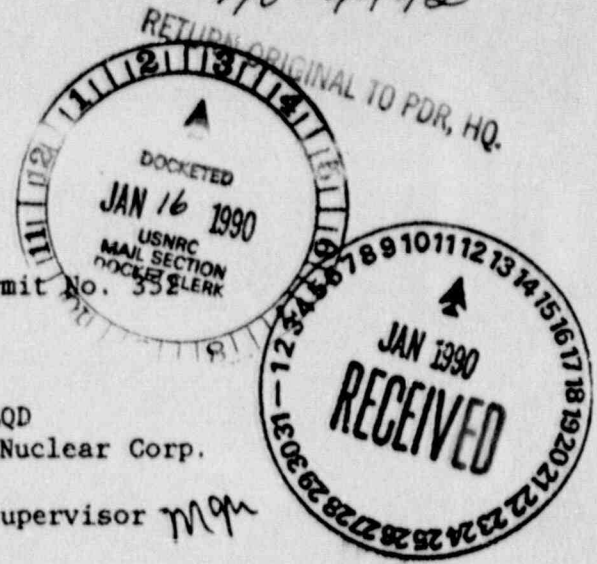


40-4492

INSPECTION REPORT



RE : American Nuclear, Mine Permit No. 552

DATE OF INSPECTION : December 5, 1989

PARTICIPANTS : Mark Moxley - Lander DEQ-LQD
Bill Salisbury - American Nuclear Corp.

PREPARED BY : Mark Moxley, District II Supervisor *MM*

This inspection was conducted to document the progress that ANC has made on the reclamation of the tailings and millsite. The reclamation for this site has been broken down into eight phases which are described in ANC's April 1989 Annual Report. Phase One was the mill facilities demolition which was completed in June 1989. Phase Two was the reshaping of the south half of Tailings Pile No. 2 and covering the millsite. The completion of Phase Two, including placement of interim cover, was verified by this inspection (see attached photos).

American Nuclear has provided a map and surveyed cross-sections to illustrate the work which has been completed. These were submitted under cover of Mr. Ferguson's letter of December 7, 1989. As shown on those cross-sections, the maximum cuts ranged from 25-30 feet on the south and east crest of the tailings pile. Most of the cuts averaged from 5 - 10 feet over the surface of the tailings pile. The excavated material was moved to the southeast to cover the millsite area where the fill depths ranged from 5 - 25 feet. The reshaping work has established the 10:1 or flatter slopes which are necessary for final site reclamation.

Based on this inspection, it is recommended that ANC's bond be reduced to credit them for the completion of the second phase of the reclamation. ANC has requested a bond reduction of \$70,355. We concur with this amount, however the NRC will require an increase in their long term care and maintenance fund (Criterion 10) which will reduce the amount which can be released to ANC.

MM:mm

xc: Rick Chancellor - Cheyenne DEQ-LQD
Ray Gonzales - NRC Denver w/photos
American Nuclear Corp.

9003010504 891205
PDR ADCK 04004492
C PDC

DESIGNATED ORIGINAL

Certified By Mary C. Hood

Df02
1/0
90-0200