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Docket 40-8674  
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WMUR:RSH  
Docket No. 40-8674  
SUA-1326

MEMORANDUM FOR: Ross A. Scarano, Chief  
Uranium Recovery Licensing Branch

THRU: Dan E. Martin, Section Leader  
New Facilities Section  
Uranium Recovery Licensing Branch

FROM: Ralph S. Heyer  
New Facilities Section  
Uranium Recovery Licensing Branch

SUBJECT: MEETING WITH PLATEAU RESOURCES LIMITED (PRL) TO DISCUSS  
THE ORE BUYING STATION (OBS) LOCATED IN BLANDING, UTAH

Place and Date

U.S. NRC, Silver Spring, Md; June 25, 1981

Attendees

PRL

Peter Tooker  
Karen Jackson  
U. K. Gupta

NRC

Dan Martin  
Gregory Eadie  
Ralph S. Heyer

Purpose

This meeting on the Blanding Ore-Buying Station was held at PRL's request in conjunction with a discussion of the Hydrojet R&D facility and the Shooting Canyon Mill. PRL agreed to discuss certain outstanding questions regarding their ore buying station (as suggested in the June 8, 1981 telephone conversation between Ms. Karen Jackson of PRL and Mr. Ralph Heyer of NRC in which subsequently, PRL would formally submit an amendment request to Source Material License SUA-1326).

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Summary

Mr. U. K. Gupta of PRL submitted 10 copies of an amendment request (as was previously requested by Mr. Ralph Heyer in telephone conversations with Mr. Gupta and Ms. Jackson) addressing the following items: (1) a detailed reclamation and decommissioning plan as required under License Condition No. 27; (2) status of the construction of an earthen berm around the storage pad as required under License Condition No. 22; and (3) a copy of the resume for a new Radiation Safety Officer.

Dan Martin inquired as to the general current status of the PRL-OBS. Mr. Gupta stated that the OBS had stored 71,500 tons of ore but that as of June 1, 1981, approximately 17,989 tons had been removed and shipped to the nearby Energy Fuels Nuclear (EFN) Mill at Blanding, Utah. The remaining ore would be removed by December 1, 1981, which would then place the operation of the OBS on standby mode status. Mr. Gupta also mentioned that PRL and EFN established an "Agreement of Exchange" (see attached copy) on February 9, 1981.

Mr. Martin also requested (as discussed in an April 7, 1981 telephone conversation with Mr. Gupta) that documentation pertaining to the written operation instructions be submitted to the NRC as required in License Condition No. 16. Mr. Gupta stated that he believed this information was previously submitted but agreed to send another copy directly to us.

Mr. Greg Eadie and Mr. Ralph Heyer requested that all environmental monitoring data collected to date be submitted to the NRC. Review of the PRL-OBS, 10 CFR, Part 40.65 Report (dated July-December 1980) indicated that insufficient information was available pertaining to the reporting of gaseous effluent releases. Ms. Jackson of PRL stated she would send the data for the individual monitoring stations to the NRC.

Finally, the licensee was informed that although as of December 1, 1981, PRL ore buying station proposes to go on standby, that the environmental monitoring program (EMP) required under License Condition No. 21, should be maintained. It was pointed out that the licensee could request an amendment to modify License Condition No. 21 to take into consideration the standby mode of operation.

Original Signed By:

Ralph S. Heyer  
New Facilities Section  
Uranium Recovery Licensing Branch  
Division of Waste Management

cc: Mr. U. K. Gupta  
Ms. Karen Jackson  
Mr. Peter Tooker

7/1/81

Attachment:

OFFICE	Agreement of Exchange	WMUR	WMUR		
SURNAME		RSH	DMartin		
DATE		RSHeyer;mb	DEMartin		
		7/1/81	7/8/81		

AGREEMENT

AGREEMENT OF EXCHANGE made as of this 9<sup>th</sup> day of FEBRUARY, 1980, between PLATEAU RESOURCES LIMITED, a Utah corporation, 772 Horizon Drive, Grand Junction, Colorado 81501 ("PLATEAU") and ENERGY FUELS NUCLEAR, INC., a Colorado corporation, P.O. Box 787, Blanding, Utah 84511 ("ENERGY FUELS").

WHEREAS, PLATEAU has a quantity of uranium ore stockpiled at its Ore Buying Station near Blanding, Utah (the "Blanding Ore Buying Station"); and

WHEREAS, ENERGY FUELS has a quantity of uranium ore stockpiled at its Buying Station near Hanksville, Utah (the "Hanksville Ore Buying Station"); and

WHEREAS, it would be mutually beneficial to PLATEAU and ENERGY FUELS to exchange such stockpiled ores;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and provisions contained herein, PLATEAU and ENERGY FUELS agree as follows:

1. PLATEAU agrees to convey, sell, assign, and transfer to ENERGY FUELS all of the uranium ores stockpiled at the date of this Agreement at the Blanding Ore Buying Station. The parties agree that

the amount of ores so stockpiled is equivalent to Seventy-One Thousand Six Hundred Twenty-Five (71,625) dry tons.

2. ENERGY FUELS agrees to convey, sell, assign, and transfer to PLATEAU Seventy-One Thousand Five Hundred (71,500) dry tons of uranium ores situate at the Hanksville Ore Buying Station, to consist of:

(a) all of the ore stockpile other than that referred to and identified as "Temple Mountain" ore, plus

(b) approximately Three Hundred Fifty-Five (355) tons of the stockpile referred to and identified as "Temple Mountain" ore, so as to arrive at a total amount equivalent to Seventy-One Thousand Five Hundred (71,500) dry tons. The quantity of ore transferred shall be verified by truck scale at either PLATEAU'S mill or the Hanksville Ore Buying Station.

3. Delivery of ores to ENERGY FUELS by PLATEAU shall be F.A.S. the Blanding Ore Buying Station. Loading and transportation of ore shall be at the expense of ENERGY FUELS.

4. Delivery of ores to PLATEAU by ENERGY FUELS shall be F.A.S. the Hanksville Ore Buying Station. Loading and transportation of ore shall be at the expense of PLATEAU.

5. PLATEAU and ENERGY FUELS shall each make their own provisions for loading and transporting ores, utilizing their own personnel, equipment, or contractors.

6. Delivery of the ores that are the subject of this Agreement may take place at any reasonable time or times hereafter, but the parties shall exert their best efforts to complete the transfer no later than December 31, 1981.

7. PLATEAU and ENERGY FUELS have each examined the respective ores that each is to receive. This exchange of ores is on an "as is" and "in place" basis. Neither PLATEAU nor ENERGY FUELS makes any representations or warranties, expressed or implied, as to the quality, suitability, or amenability of the ores that are the subject of this transaction.

8. PLATEAU and ENERGY FUELS warrant good and merchantable title to their respective ore stockpiles and that such ore stockpiles are free and clear from any and all liens and encumbrances of any kind or nature whatsoever; and further that should any defect in one party's title arise, said party shall immediately correct the defect or the other party shall be made whole at the expense of the party whose title is defective.

9. PLATEAU and ENERGY FUELS shall grant to the other all rights of ingress and egress to and from their respective ore stockpiles, including rights of way over their respective Buying Station properties between such stockpiles and the points of access to such properties as may be necessary to effect the ore transfers that are the subject of this Agreement. Such rights shall expire at the completion of the transfer of ore.

10. ENERGY FUELS shall be permitted access to the Blanding Ore Buying Station through the existing fences on the southwesterly side of the station at the point where the existing road terminates. Construction and maintenance of an access opening and gate or gates in the fences at the alternate access point shall be at the sole expense and responsibility of ENERGY FUELS. Design, construction, maintenance, and use of such alternate means of access shall be subject to all applicable physical security requirements for the Blanding Ore Buying Station. As soon as practicable after ENERGY FUELS removes PLATEAU'S ore that is subject to this Agreement from the Blanding Ore Buying Station, ENERGY FUELS shall restore the Blanding Ore Buying Station facilities and grounds, insofar as the same may have been affected by construction, maintenance, and use of the alternate means of access, as nearly as practicable to the conditions existing before

construction of the alternate means of access, except that any gate or gates installed incident to such access may be left in place if such gate or gates are of comparable design and quality to the existing fence or if PLATEAU agrees.

11. PLATEAU and ENERGY FUELS shall furnish, each to the other, upon or as soon as practicable after delivery of the ores to be transferred hereunder, copies of their respective shipping and assay records relating to their acquisition, processing, and storage of such ores to the date of delivery of such ores to the other.

12. PLATEAU and ENERGY FUELS shall each comply in all respects with applicable laws, rules, regulations, and orders of all governmental bodies having jurisdiction, in carrying out the provisions of this Agreement. Each party shall obtain, at its own expense, such licenses, permits, and other authorizations as may be necessary for it to carry out its obligations hereunder. Each party shall remain liable for compliance with any and all conditions of the Source Materials License relating to their respective buying stations and neither party hereto shall assume or be liable for any reclamation or decommissioning obligations of the other party.

13. Neither PLATEAU nor ENERGY FUELS shall be responsible for failure or delay in performing the terms of this Agreement caused

by strikes, lockouts, war or acts of war, riots or civil commotions, fire, interference by any governmental authority, or other cause beyond the reasonable control of such party, whether or not similar to the matters herein enumerated, and in such event the time for performance shall be extended by a time equal to the delay so caused.

14. This Agreement and the rights and obligations of the parties hereunder shall be governed in accordance with the laws of the State of Utah.

PLATEAU RESOURCES LIMITED

By *Ronald L. Huber*  
Its *VICE-PRESIDENT*

ENERGY FUELS NUCLEAR, INC.

By *[Signature]*  
Its *Chairman*



ATTENDEES

6/25/81

8<sup>th</sup> FLOOR

WILSON BLDG

RALPH S. HERER

NRC

DAN E. MARTIN

NRC

PETER TOOKER

PLATEAU RESOURCES Ltd.

KAREN E. JACKSON

Plateau Resources Limited

U. K. Gupta

Plateau Resources Limited

Gregory G. Eddie

NRC