



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
611 RYAN PLAZA DRIVE, SUITE 1000
ARLINGTON, TEXAS 76011

JUN 22 1990

Docket No. 40-8786
License No. SUA-1400
EA 90-087

Uranium Resources, Inc.
12375 Merit Drive
Suite 750, LB14
Dallas, Texas 75251

Gentlemen:

SUBJECT: NOTICE OF VIOLATION (NRC INSPECTION REPORT 90-01)

This is in reference to NRC's inspection of activities conducted by Uranium Resources, Inc. (URI) at its North Platte Project, Converse County, Wyoming, under the authority of License No. SUA-1400 issued by the Nuclear Regulatory Commission (NRC). The inspection of this site, an in-situ uranium mining facility, and review of related documents took place on March 20, and April 5, 6 and 19, 1990.

A report documenting the results of this inspection was mailed to URI on May 7, 1990. Because this inspection resulted in the identification by NRC of several violations of NRC requirements at this site, an enforcement conference to discuss the inspection findings was conducted in NRC's Arlington, Texas office on May 14, 1990.

The violations in the enclosed Notice of Violation involve a failure to instruct employees involved in dismantling the facility in radiological health matters, a failure to perform suitable measurements of airborne radioactivity, a failure to calibrate a radiation monitoring instrument, a failure to establish procedures for reclamation activities, a failure to perform evaporation pond inspections at the required frequency, a failure to submit annual surety bond information and seek NRC approval for a bond reduction, and a failure to submit various required reports to NRC. Although URI's having relocated its home offices without informing NRC was described in the inspection report as an apparent violation, this matter has not been included in the Notice.

As NRC indicated in its correspondence transmitting the inspection report, the number of violations and the fact that four of the violations had been cited in 1985 and had recurred are indicative of a lack of attention on the part of URI to its responsibilities under the terms of the license.

As URI representatives indicated during the enforcement conference, this situation appears to have resulted from URI's general lack of attention to this facility, the failure to assign a radiation safety officer with

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responsibility for ensuring requirements were met at this facility and, in part, URI's failure to amend its license to establish requirements that were commensurate with the status of this facility. NRC recognizes URI's actions to address each of these factors, including the development of an audit program that would utilize personnel not directly employed by URI.

In that this situation is indicative of a failure on the part of URI to meet its responsibilities under the license, NRC gave serious consideration to classifying these violations in the aggregate at Severity Level III and assessing a monetary civil penalty. NRC decided against that, however, because NRC also recognizes that the North Platte Project has been inactive for an extended period and recognizes that the violations, while not insignificant, did not pose a significant radiological health threat.

NRC would point out, however, that future transgressions of this nature on the part of URI, whether involving this facility or any other which is operated under the authority of a license issued by NRC, will result in consideration of escalated enforcement action. NRC will expect URI to conduct its licensed activities in accordance with all NRC requirements and to implement the improvements outlined by URI at the enforcement conference.

URI is required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing its response. In its response, URI should document the specific actions taken and any additional actions planned to prevent recurrence. To the extent that such actions have been described in previous correspondence with NRC, URI may make reference to particular correspondence and need not duplicate information already provided to NRC. After reviewing URI's response to this Notice, including proposed corrective actions, and the results of future inspections, NRC will determine whether further enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC Public Document Room. The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Public Law No. 96-511.

Sincerely,



A. B. Beach, Director
Division of Radiation Safety
and Safeguards

Enclosure:
Notice of Violation

cc:
State of Wyoming Radiation Control Program Director
State of Wyoming Department of Environmental Quality
NRC Public Document Room

JUN 22 1990

Uranium Resources, Inc.

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