

JUL 20 1990

URFO:GRK
Docket No. 40-8783
SUA-1401, Amendment No. 13
04008783540E

Uranerz U.S.A., Inc.
165 South Union Blvd., Suite 280
Denver, Colorado 80228

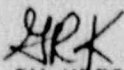
Gentlemen:

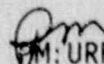
Our office is in receipt of your address change notification and your amendment request, both submitted by letter dated June 22, 1990. As you have requested, License Condition No. 2 has been modified to change your mailing address. License Condition Nos. 10 and 22 have been revised to more accurately reflect the standby status of the project. Similarly, License Condition Nos. 30, 31, and 33 have had minor revisions to delete statements that are no longer necessary considering the standby status of your project.

License Condition No. 24 has been deleted in its entirety. The evaporation pond construction specifications and operational requirements noted in this license condition are either no longer applicable or are specified in other license conditions.


The surety arrangement was examined during a review of License Condition No. 51. The previous license condition required Uranerz to make a submittal to the NRC prior to the expiration of the bond or prior to any revision to the bond. The last revision and submittal was made on July 16, 1987. As a result of this license condition, annual reviews of Uranerz's surety arrangement have not been performed as required by Criterion 9 of Appendix A to 10 CFR 40. License Condition No. 51 is therefore being revised to bring it into conformance with 10 CFR 40, Appendix A, Criterion 9.

Therefore, pursuant to Title 10, Code of Federal Regulations, Part 40, and in accordance with your submittal dated June 22, 1990, Source Material License SUA-1401 is hereby amended by deleting License Condition No. 24 and revising License Condition Nos. 2, 10, 22, 30, 31, 33, and 51 to read as follows:


PM:URFO
GKonwinski/lv
07/19/90


PM:URFO
PMichaud
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DD:URFO
EHawkins
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D:URFO:RIV
REHall
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2. 165 South Union Blvd., Suite 280
Denver, Colorado 80228
10. Authorized use for possession of residual contaminated materials while commercial license application is being reviewed. In the event that a commercial license for the facility is not issued, the licensee shall submit a plan for decontamination, decommissioning, and reclamation of the Ruth R&D in-situ leach facility.

Whenever the word "will" is used in the licensee's submittals, it shall denote a requirement. Notwithstanding the above, the following conditions shall override any conflicting statements.

22. Evaporation ponds shall be monitored for leaks on a weekly basis. Any fluid detected in the standpipes of the leak detection systems shall be analyzed initially for chloride and TDS. If these concentrations exceed Wyoming Department of Environmental Quality Drinking Water Standards, then the water shall be analyzed for calcium, chloride, alkalinity, sodium, uranium, radium-226, sulfate, and TDS. Water quality samples taken at the standpipe shall be sampled for all eight (8) indicators at least every seven (7) days during the leak period and for at least two weeks following repair if any residual liquid remains in the standpipes.

The NRC, Uranium Recovery Field Office, shall be notified within forty-eight (48) hours if the chemical quality of the fluid found in the standpipe exceeds Wyoming Drinking Water Standards for any of the indicators tested. The licensee must take immediate steps to repair the leak.

24. DELETED by Amendment No. 13.
30. The licensee shall immediately notify the Uranium Recovery Field Office, by telephone, of any leak or other failure of liner integrity in an evaporation pond, any break or rupture of any pipeline, or any similar failure of any other fluid or material conduit or storage facility which results in an uncontrolled release of radioactive materials, or of any unusual conditions which if not corrected could lead to such a failure. Such notification shall be followed, within seven (7) days, by submittal of a written report detailing the conditions leading to the leak, failure or potential failure, corrective actions taken, and results achieved. This requirement is in addition to the reporting requirements of 10 CFR Part 20.
31. Final disposition of byproduct material residues resulting from decommissioning activities authorized by License Condition No. 10 of this license shall be at an approved facility.
33. DELETED by Amendment No. 13.

51. The licensee shall maintain an NRC-approved financial surety arrangement, consistent with 10 CFR 40, Appendix A, Criterion 9, adequate to cover the estimated costs, if accomplished by a third party, for completion of the NRC-approved site closure plan including; above ground decommissioning and decontamination, the cost of offsite disposal of radioactive solid process or evaporation pond residues, and ground-water restoration as warranted. Within three (3) months of NRC approval of a revised closure plan and cost estimate, the licensee shall submit, for NRC review and approval, a proposed revision to the financial surety arrangement if estimated costs in the newly-approved site closure plan exceed the amount covered in the existing financial surety. The revised surety shall then be in effect within three (3) months of written NRC approval. Annual updates to the surety amount, required by 10 CFR 40, Appendix A, Criterion 9, shall be provided to the NRC at least three (3) months prior to the anniversary of the effective date of the existing surety instrument. If the NRC has not approved a proposed revision 30 days prior to the expiration date of the existing surety arrangement, the licensee shall extend the existing arrangement, prior to expiration, for one (1) year.

Along with each proposed revision or annual update, the licensee shall submit supporting documentation showing a breakdown of the costs and the basis for the cost estimates with adjustments for inflation, maintenance of a minimum 15 percent contingency, changes in engineering plans, activities performed, and any other conditions affecting estimated costs for site closure. The licensee shall also provide the NRC with copies of surety related correspondence submitted to the State, a copy of the State's surety review, and the final approved surety arrangement. The licensee must also ensure that the surety, where authorized to be held by the State, expressly identifies the NRC-related portion of the surety and covers the above ground decommissioning and decontamination, the cost of offsite disposal, soil and water sample analyses, and ground-water restoration associated with the site. The basis for the cost estimate is the NRC-approved site closure plan or the NRC-approved revisions to the plan. Reclamation/decommissioning plan, cost estimates, and annual updates should follow the outline in the attachment to SUA-1401 entitled, "Recommended Outline for Site Specific Reclamation and Stabilization Cost Estimates."

Uranerz U.S.A's currently approved surety, bond No. 147F7633, issued by the Travelers Indemnity Company in favor of the State of Wyoming, shall be continuously maintained in an amount no less than \$200,939 for the purpose of complying with 10 CFR 40, Appendix A, Criterion 9, until a replacement is authorized by both the State and the NRC. For the purposes of the NRC's annual review, Uranerz U.S.A's anniversary date referred to in paragraph 1 above is designated as January 9 of each successive year. The required annual update information shall be submitted in the form of a request for an amendment at least three (3) months prior to this date.

JUL 20 1990

Uranerz U.S.A, Inc.

4

All other conditions of this license shall remain the same. The effect of this amendment is to modify several license conditions to reflect the standby status of the project. You will note that we have taken this opportunity to change the NRC designation in your license to NRC in accordance with agency policies. The license is being reissued to reflect these modifications.

This amendment was discussed by telephone between your Mr. Akin and Mr. Konwinski of my staff on July 19, 1990.

Sincerely,

Original Signed By:

R. E. HALL

Ramon E. Hall
Director

Enclosure:

Source Material License SUA-1401

Case Closed: 04008783540E

bcc:

Docket File 40-8783

LFMB

PDR/DCS

URFO r/f

ABBeach, RIV

LLO Branch, LLWM

OB: IMNS: NMSS

GKonwinski

PMichaud

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