



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
URANIUM RECOVERY FIELD OFFICE
BOX 26326
DENVER, COLORADO 80226

NOV 28 1990

URFO:DLJ
Docket No. 40-8681
04008681250R
04008681420R

MEMORANDUM FOR: Docket File No. 40-8681
FROM: Dawn L. Jacoby, Project Manager
SUBJECT: REVIEW OF THE ANNUAL TAILINGS DAM INSPECTION REPORTS ON
THE UMETCO WHITE MESA MILL FOR THE PERIOD FROM OCTOBER 1987
THROUGH NOVEMBER 1989

Background

By letters dated June 25, 1989, and October 2, 1990, Umetco Minerals Corporation (Umetco) submitted the annual technical evaluations of the tailings management program for their White Mesa Mill in Blanding, Utah. The annual technical evaluations were conducted and a report submitted in accordance with License Condition No. 26 of Source Material License SUA-1358. The technical evaluation reports cover the periods of October 1987 through November 1988 and December 1988 through November 1989. The formal technical inspections were performed by a licensee representative who is a registered professional engineer (no State given) on November 30, 1988, and November 14, 1989. The previous annual report was submitted on December 2, 1987; the formal technical inspection was conducted on October 18, 1987.

Discussion

The report covering the period from October 1987 through November 1988 was held open due to the numerous problems with the elevation datums used at the site as identified during the review of Cell 4A and the August 1989 inspection. A cursory review of the annual report indicated that Umetco had concluded that the tailings containment facility was structurally stable and that it was performing as designed. It was assumed that the report for the following period would clarify the confusion over the use of various elevation datums.

PM:URFO *DLJ*
DLJacoby/ab
11/28/90

PM:URFO *DCW*
DCWard
11/28/90

DD:URFO *EFH*
EFHawkins
11/28/90

D:URFO:RIV *REH*
REHall
11/28/90

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Upon review of the report submitted after the problem with the survey datums was identified, it was discovered that the encroachment on the freeboard on Cell 1-I between January 1989 and March 1989 was not even identified. Information that had been requested in future reports from the licensee in a telephone conversation on January 4, 1988, was not included in either report. Also lacking was an evaluation of the diversion system upstream from the disposal area. This raised considerable concerns regarding the level of importance the licensee is assigning to their annual inspection and evaluation program for the tailings disposal area. Inspection periods have been lax and the reports have reflected minimal effort. They have contained insufficient data to enable NRC to independently evaluate the status of the disposal system. Known problems in the system were not identified in the reports. Although NRC inspections have not identified any concerns regarding the safety of the structures, the licensee's reports do not provide an adequate basis for the NRC's conclusion that the system is working as designed.

Conclusion

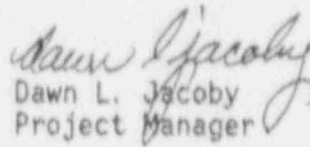
Due to the numerous deficiencies in the reports, Umetco is being requested to submit the following information for the period of October 1987 through November 1990.

1. A statement that beach and freeboard levels were maintained during the reporting period or an explanation of why they were not and how the situation was handled.
2. Summarization of the daily, weekly, and quarterly inspections and any corrective action taken.
3. Summarization of the settlement data.
4. An evaluation of the upstream diversion system.
5. The volume of tailings deposited during the reporting period.
6. A clarification of the "observed items" identified in the annual reports.

To clarify the reporting requirements, Umetco is also being requested to submit by February 1, 1991, an amendment request that establishes an anniversary date

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for annual reviews and defines the information that will be included in the annual reports.


Dawn L. Jacoby
Project Manager

Cases Closed: 04008681250R
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bcc:

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PDR/DCS
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ABBeach, RIV
LLO Branch, LLWM
DJacoby
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