

JAN 09 1991

URFO:CDMC
Docket No. 40-8681

Umetco Minerals Corporation
ATTN: John Hamrick
White Mesa Uranium Mill
P.O. Box 669
Blanding, Utah 84511

Dear Mr. Hamrick:

The NRC is forwarding this letter to Umetco Mineral Corporation (Umetco) in response to the licensee letter dated December 19, 1991, concerning the following license conditions of Source Material License SUA-1358 and the appropriate licensee actions with regard to detection of fluid in the Cell 2 leak detection system:

- o Umetco believes that License Condition No. 48A requirements are met by taking weekly samples, analyzing for four hazardous constituents, and statistically analyzing for significant trends.

The NRC letter dated December 4, 1990, did not specifically address License Condition No. 48A; rather, the NRC requested sufficient information from Umetco to characterize the source of fluid in the Cell 2 LDS (LDS2). This, as discussed in the December 4, 1990, letter, would include comparable water quality analyses data for surrounding wells. As previously stated in the telephone conversation between NRC staff and Umetco, this data should also include Cell 2 and sedimentation pond (flyash pond) sample analyses.

- o Umetco believes License Condition No. 48B is met by the discussion of the aerial extent of concentration of hazardous constituents submitted by Umetco.

License Condition No. 48B was not specifically addressed by NRC in the letter dated December 4, 1990. However, without a similar data base and comparative analyses for samples retrieved from all potential hazardous constituent sources and from monitoring wells downgradient from these sites, an unequivocal determination of the source for fluid in the LDS2 does not seem plausible. It follows that the aerial extent could not be correctly delineated. Again, the NRC would request that Umetco provide sufficient information to correctly and without question identify the source of fluid in the LDS2 and the extent of potential contamination.

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° With regard to License Condition No. 48C, it is apparent that if Umetco is not willing to enhance the present quality analyses program, there will be no sound basis for establishing the source or extent of fluid being retrieved from LDS2. A comparison of chloride, sulfate, selenium, and pH concentrations from one sampling point with concentrations of U-natural and Radium-226 from another sample point will not reveal useful information for determining if these two samples are, in fact, from a similar fluid. Therefore, a change to the sampling required for the flyash pond and the LDS2, which will allow for comparable analyses, is needed.

If Umetco wishes to maintain their position that fluid on LDS2 is from the flyash pond, the licensee must present comprehensive, comparable water quality analyses and eliminate all other possible sources. Conversely, if through review of newly acquired information Umetco determines that the source of fluid in LDS2 is from Cell 2, the licensee may demonstrate that the amount of fluid collected represents all fluid that could be escaping from Cell 2 and submit an appropriate corrective action plan. If, however, the licensee cannot show that LDS2 fluid represents collection of all fluid leaking from Cell 2, then the licensee must submit a corrective action plan to remediate uncontrolled release of fluid from Cell 2.

Our staff will be pleased to meet with representatives of Umetco, as requested, on January 24, 1991. If you have any further questions regarding this matter, please contact Cynthia Miller-Corbett of my staff.

Sincerely,



Ramon E. Hall
Director

bcc:

Docket File No. 50-8681
LFMB
PDR/DCS
URFO r/f
ABBeach, RIV
LLO Branch, LLWM
OB:IMNS:NMSS
CDMiller-Corbett
L. Anderson, RCPD, UT