



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011-8064

AUG 11 1994

Docket: 40-8681  
License: SUA-1358

Energy Fuels Nuclear, Inc.  
ATTN: Janet C. Mays  
Environmental Coordinator Officer  
P.O. Box 787  
Blanding, Utah 84511

SUBJECT: RESPONSE TO NOTICE OF VIOLATION, WHITE MESA MILL  
NRC INSPECTION REPORT 40-8681/94-01

Thank you for your letter dated July 28, 1994, providing additional information as requested in our letter dated June 24, 1994. The additional information we requested concerned your response to Violation B issued May 12, 1994. Your letter of July 28, 1994, provides this additional information in the form of a revised response to Violation B. Your responses to Violations A, C, and D remain unchanged from your previous response letter dated June 3, 1994.

We have reviewed your replies of June 3 and July 28, 1994, and find them responsive to the concerns raised in NRC Inspection Report 40-8681/94-01. We will review the implementation of your corrective actions during a future inspection.

Should you have any questions regarding this letter, we will be pleased to discuss them with you.

Sincerely,

Samuel J. Collins, Director  
Division of Radiation Safety  
and Safeguards

NRC FILE CENTER COPY

9408230019 940811  
PDR ADOCK 04008681  
C PDR

JEON

Energy Fuels Nuclear, Inc.

-2-

cc:

Umetco Minerals Corporation  
ATTN: W. W. Brice  
Maintenance Superintendent  
White Mesa Uranium Mill  
P.O. Box 669  
Blanding Utah 84511

Umetco Minerals Corporation  
ATTN: R. A. Van Horn  
P.O. Box 1029  
Grand Junction, Colorado 81502

Utah Radiation Control Program Director

DMB - Original (IE-07)  
 LJCallan, RA  
 DBSpitzberg, FCDB  
 LCCarsonII, WCFO (DRSS/FCDB)  
 RJEvans, FCDB  
 MLMcLean, FCDB  
 GMVasquez, FCDB  
 DWeiss, OC/LFDCB (MS T-9E10)(TWFN)  
 JHolonich, NMSS/DWM/H (MS 7 J9)(TWFN)  
 SLWastler, Project Manager, NMSS/DWM/H (MS 7 J9)(RM 7 E69)(TWFN)  
 GLShear, RIII/DRSS  
 DRSS/FCDB File (Hodges)  
 MIS System  
 RIV Material License Files (2)

RIV:FCDB <del>DTS</del>	C:FCDB <del>JK</del>	DD:DRSS <del>JK</del>	D:DRSS <del>JK</del>	
DBSpitzberg:nh	CLCain	CRAScarano	SJCollins	
1/194	8/15/94	8/10/94	8/10/94	

DMB - Original (IE-07)

1994 AUG 16 AM 8:29

LJCallan, RA

DBSpitzberg, FCDB

LCCarsonII, WCFO (DRSS/FCDB)

RJEvans, FCDB

MLMcLean, FCDB

GMVasquez, FCDB

DWeiss, OC/LFDCB (MS T-9E10)(TWFN)

JHolonich, NMSS/DWM/H (MS 7 J9)(TWFN)

SLWastler, Project Manager, NMSS/DWM/H (MS 7 J9)(RM 7 E69)(TWFN)

GLShear, RIII/DRSS

DRSS/FCDB File (Hodges)

MIS System

RIV Material License Files (2)

RIV:FCDB <del>DRSS</del>	C:FCDB <del>DRSS</del>	DD:DRSS <del>DRSS</del>	D:DRSS <del>DRSS</del>	
DBSpitzberg:nh	CLCain	CRAScarano	SJCollins	
1 / 94	5/8/94	8/10/94	8/10/94	



energy fuels nuclear, inc.  
p.o. box 787 • blanding, utah 84511

AUS - 1001

July 28, 1994

Mr. Samuel J. Collins  
Director  
Division of Radiation Safety and Safeguards  
U.S Nuclear Regulatory Commission  
Region IV  
611 Ryan Plaza Drive Suite 400  
Arlington, TX 76011-8064

Dear Mr. Collins:

Energy Fuels Nuclear, Inc.  
SUA-1358 - Docket No. 40-8681  
White Mesa Mill, Blanding, Utah  
Response to Notice of Violation

Attached is Energy Fuels Nuclear, Inc. response to the letter from the U.S Nuclear Regulatory Commission regarding Response to Notice of Violation received June 24, 1994. The letter requests a description of additional corrective actions which have been implemented or will be implemented to avoid future violations in this area.

The attached response describes the specific corrective measures implemented to avoid future violations involving surveying of trucks and equipment leaving the restricted area. If we can answer any questions that you may have, please feel free to contact me or Mr. Scott Schierman of my staff.

Sincerely,

*Janet C. Mays*  
Janet C. Mays

Environmental Coordinator  
Officer

4408080114 3pp. 94-1551

IE-07

4. Date of Full Compliance:

Full compliance with the scanning requirements was completed on 4-12-94. Training of personnel and documentation will be completed by 6-30-94.

VIOLATION B:

License Condition No. 14 of Source Material License SUA-1358 states, that release of equipment or packages from the restricted area shall be in accordance with the attachment to SUA-1358 entitled "Guidelines for Decontamination of Facilities and Equipment Prior to Release for Unrestricted Use or Termination of Licenses for By-product or Source Materials," dated September, 1984. The guidelines state that all items leaving the restricted area must be surveyed for alpha contamination prior to release.

Contrary to this requirement, on April 11, 1994, the inspectors observed that the licensee did not perform the required surveys prior to release of several vehicles exiting the restricted area.

Response to Item B:

1. Reason for Violation:

Failure to perform the required radiological surveys on company vehicles and ore delivery vehicles prior to exiting the restricted area.

2. Corrective Steps Taken:

The mill scalehouse has 24 hour coverage for plant security and receipt of ore trucks. During business hours the restricted area access gate east of the administration building remains closed. Access to the restricted area is being limited to vehicles that must enter to off-load freight or perform their assigned job. Scalehouse personnel have been trained on how to scan vehicles and are scanning all ore trucks and delivery vehicles during off hours. Delivery of small freight packages is done to the office so these vehicles don't enter the restricted area. All vehicles that enters into the restricted area are being scanned prior to release from the restricted area.

3. Steps to Avoid Future Violations:

Training on the importance of scanning personnel, vehicles and equipment prior to exiting the restricted area was reiterated with all employees during safety meetings in June. Failure to comply with the scanning procedures will result in disciplinary action.

4. Date of Full Compliance:

Full compliance with license condition 14 was completed on 6/1/94.

VIOLATION C:

License Condition No. 29 of Source Material License SUA-1358 states, in part, that standard operating procedures (SOPs) shall be established for all operational process activities involving radioactive materials that are handled, processed, or stored. Procedure 2.7 entitled, Product Shipment Surveys, requires that adequate fixed alpha and beta/gamma surveys be conducted on all product barrels.

Contrary to this requirement, the inspectors noted that the license failed to conduct the required surveys on all barrels of yellowcake product shipped in 1994. As a specific example, on February 22, 1994, the licensee failed to perform proper beta/gamma surveys as required by procedure 2.7 on each barrel of yellowcake shipped.

Response to Item C:

1. Reason for Violation:

Procedure 2.7 does not make a distinction between vanadium and yellowcake shipments and states all barrels will be alpha and gamma surveyed. All yellowcake shipments are sent exclusive use. Beta/gamma surveys of each barrel are not necessary as once the trailer is loaded the entire lot is considered one package and surveyed as such. This is not consistent with Procedure 2.7.