



40-8698

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

January 16, 1998

Plateau Resources Limited
ATTN: Mr. Kenneth Webber
877 North 8th West
Riverton, Wyoming 82501

SUBJECT: AMENDMENT 1 TO SOURCE MATERIAL LICENSE SUA-1371, PLATEAU
RESOURCES LIMITED'S SHOOTARING CANYON URANIUM MILL

Dear Mr. Webber:

The U.S. Nuclear Regulatory Commission staff has completed its review of the two amendment requests submitted by Plateau Resources Limited (PRL) by separate letters both dated June 25, 1997, with additional information provided by letter dated December 19, 1997. By these submittals, PRL requested that (1) reference to the radiological and environmental monitoring and sampling procedures contained as appendices to its approved license application be deleted from Source Material License SUA-1371; and (2) standard operating procedures (SOPs) for its Safety and Environmental Review Panel (SERP) be approved.

The details of these amendment requests are discussed in the NRC staff's Technical Evaluation Report (TER). The TER documents the basis for the NRC staff's evaluation of the amendment requests and is provided as Enclosure 1. Based on its review, the staff finds PRL's requests to be acceptable. However, in approving the request to delete reference to the license application appendices, the staff determined that two additional license conditions would be needed to address portions of PRL's radiation safety program that would not be adequately addressed by the referenced sections in the application. PRL agreed to the addition of these two conditions in a telephone conversation on January 12, 1998.

Finally, in the process of conducting its review, the staff also identified a typographical error in License Condition No. 11.6 of SUA-1371, which (1) placed the requirements under that condition in conflict with those under License Condition No. 11.2, and (2) deactivated the provisions of PRL's groundwater detection monitoring program under License Condition No. 11.3 until ore processing commenced. As part of this licensing action, the staff will modify License Condition No. 11.6 appropriately to correct this error.

Therefore, pursuant to Title 10 of the Code of Federal Regulations, Part 40, Source Material License SUA-1371 is hereby amended by revising License Condition Nos. 9.3, 9.4, and 11.6 and by adding License Condition Nos. 9.10 and 10.9. All other conditions of this license shall remain the same. The enclosed license is being reissued to incorporate the above modifications. An environmental review was not performed since these administrative actions are categorically excluded under 10 CFR 51.22(c)(10).

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K. Webber

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These changes to your license were discussed and agreed to in a telephone conversation on January 12, 1998, between yourself and Mr. Jan :s Park of my staff. If you have any questions regarding this letter or the enclosures, please contact Mr. Park at (301) 415-6699.

Sincerely,

Original Signed By

Joseph J. Holonich, Chief
Uranium Recovery Branch
Division of Waste Management
Office of Nuclear Material
Safety and Safeguards

Docket No. 40-8698
SUA-1371, Amendment No. 1
Cases Closed: L51554, L51555

Enclosures: As stated (2)

cc: W. Sinclair, UT

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TECHNICAL EVALUATION REPORT

DATE: January 13, 1998

DOCKET NO. 40-8698

LICENSE NO. SUA-1371

LICENSEE: Plateau Resources Limited

FACILITY: Shootaring Canyon Uranium Mill

PROJECT MANAGER: James Park

SUMMARY AND CONCLUSIONS:

By letter dated June 25, 1997, Plateau Resources Limited (PRL) requested NRC approval of a modification to License Condition 9.3 of NRC Source Material License SUA-1371, which requires PRL to conduct operations in accordance with its license renewal application. PRL requested that the wording of the condition be revised so that environmental and radiological operating procedures contained in the appendices to the renewal application not be referenced.

By separate letter, also dated June 25, 1997, PRL submitted standard procedures for the operation of its Safety and Environmental Review Panel (SERP), as required by License Condition 9.4 of SUA-1371. PRL submitted revised SERP procedures, by letter dated December 19, 1997, in response to NRC comments transmitted by telephone on September 15, 1997.

Based on its technical review of the information provided, the NRC staff has determined that PRL's requests are acceptable with modifications. PRL agreed to the modifications by telephone on January 12, 1998. SUA-1371 will be amended appropriately to reflect the staff's approval.

DESCRIPTION OF LICENSEE'S AMENDMENT REQUESTS:

By letter dated June 25, 1997, PRL requested that the wording of License Condition 9.3 be modified to refer to Sections 1-9 of the license renewal application dated March 1, 1996, as amended. If approved, this requested modification would effectively delete from the license condition reference to the radiological and environmental monitoring and sampling procedures contained in the appendices to the renewal application. PRL believes that approval of its request would allow modifications to the procedures to be made as necessary, without the administrative burden of submitting amendment requests to NRC for each change.

By separate letter, also dated June 25, 1997, PRL submitted standard operating procedures (SOPs) for its SERP, as required by License Condition 9.4 of SUA-1371. The SOPs identify (1) the membership of the SERP, (2) the general procedure to be followed in reviewing potential changes, tests, and/or experiments against the provisions of the performance-based license condition, and (3) the written documentation to be required of the SERP's decisions. Amended SOPs were provided by letter dated December 19, 1997, in response to NRC staff comments.

PRL's SERP will consist of at least three individuals, who combined have responsibility for: (1) approving managerial and financial changes, (2) implementing operational changes, and (3) assuring changes conform to radiation and environmental requirements. Additional members may be included, as appropriate, to address specific technical aspects associated with proposed changes. The Environmental and Radiological Health Supervisor has been designated as Chairman of the SERP.

The SERP will consider the following areas in its review of a proposed change, test, or experiment: (1) possible conflicts with the current requirements of SUA-1371, (2) possible conflicts with applicable NRC regulations, (3) consistency with the NRC's Environmental Assessment issued with the March 1997 renewal of SUA-1371, and (4) potential degradation in the essential safety or environmental commitment made in the license application or provided by the reclamation plan.

Determinations of the SERP will be documented in written reports, with such reports and the associated records of any approved changes maintained by PRL until the termination of SUA-1371. In addition, PRL will provide NRC with an annual report summarizing changes made during the year, the SERP evaluations, and any page changes to the approved license application.

TECHNICAL EVALUATION:

Request to Modify License Condition 9.3

License Condition 9.3 of SUA-1371 requires PRL to conduct operations at the Shootaring Canyon facility in accordance with statements, representations, and conditions contained in its license renewal application dated March 1, 1996, as amended by specified submittals, except where superseded by other conditions in SUA-1371. PRL is requesting that this license condition be modified to remove reference to the appendices of its renewal application, which contain the radiological and environmental monitoring and sampling procedures to be implemented at the facility.

Because it is the staff's policy to review the adequacy of SOPs during site inspections, the staff finds PRL's amendment request to be acceptable. NRC approval of PRL's request will allow PRL to modify the monitoring procedures as necessary without the need to amend SUA-1371 for such changes. However, the staff notes that, in approving PRL's radiation safety program as part of the renewal of SUA-1371 in May 1997, certain portions of the staff's Safety Evaluation Report were based on commitments made in the appendices of the application. Therefore, with the removal of reference to these appendices from the license, the staff recommends adding the following conditions to the license:

- (1) The licensee shall have a training program for all site employees as described in Regulatory Guide 8.31 and Section 5.3 of the approved license application. The Environmental and Radiological Health Supervisor (ERHS), or their designee, shall have the education, training and experience as specified in Regulatory Guide 8.31. The ERHS shall also receive 40 hours of related health and safety refresher training every two years.

Individuals designated as the Radiation Technician (RT) shall report directly to the ERHS on matters dealing with radiological safety. In addition, the ERHS shall be accessible to the RT at all times. The RT shall have the qualifications specified in Regulatory Guide 8.31, or equivalent. Any person newly hired as an RT shall have all work reviewed and approved by the Site ERHS as part of a comprehensive training program until appropriate course training is completed, and at least for six months from the date of appointment.

- (2) All radiation monitoring, sampling, and detection equipment shall be recalibrated after each repair and as recommended by the manufacturer, or at least annually, whichever is more frequent. In addition, all radiation survey instruments shall be operationally checked with a radiation source each day when in use.

In a telephone call January 12, 1998, PRL agreed to the addition of these two conditions to SUA-1371.

Under License Condition 9.6 to SUA-1371, PRL still will be required to establish and follow SOPs for all operational process activities involving radioactive materials that are handled, processed, or stored, and for non-operational activities, including in-plant and environmental monitoring, bioassay analyses, and instrument calibrations. The operational activity SOPs also are required to enumerate the pertinent radiation safety practices to be followed. NRC will assess compliance with License Condition 9.6 and other requirements of SUA-1371 through regular inspections of the Shootaring Canyon facility.

Request for Approval of SERP SOPs

License Condition 9.4 of SUA-1371 allows PRL to make changes in the facility, process, or procedures as presented in the approved license application or to conduct tests or experiments not presented in the application, under certain specified conditions. If, however, the specified conditions are not met, the licensee is required to file an amendment application with NRC. The licensee's SERP will make this determination.

PRL's SERP will have the appropriate organizational membership makeup, as required by License Condition 9.4. In addition, the NRC staff considers the evaluations PRL proposes its SERP to make to be appropriate and acceptable. Finally, the reporting requirements identified in the SOPs are in accordance with the requirements of License Condition 9.4.

Therefore, the NRC staff finds PRL's proposed SOPs for the SERP to be acceptable, and considers that the procedures specified will provide reasonable assurance that the SERP and the performance-based license condition process will function as NRC intended.

ENVIRONMENTAL IMPACT EVALUATION:

No environmental review was required, because these actions are considered changes in administrative procedures or requirements, which, in accordance with 10 CFR Part 51.22(c)(10), are categorically excluded from such review.