

ENCLOSURE 1

NOTICE OF VIOLATION

International Uranium (USA) Corporation
San Juan County, Utah

Docket No.: 40-8681
License No.: SUA-1358

During an NRC inspection conducted on March 23-25, 1999, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

License Condition 9.6 states, in part, standard operating procedures shall be established and followed for all operational process activities involving radioactive materials that are handled, processed, or stored.

Contrary to the above, the licensee did not follow established SOPs in three separate occasions:

- The Health Physics Manual requires personnel donning respiratory protection equipment to conduct positive or negative face seal checks. Contrary to this requirement, on March 24, 1999 an individual was observed to have not conducted face seal checks when using respiratory protection for protection from radionuclides.
- The Ore Receiving, Feed and Grinding Manual requires personnel conducting work under a radiation work permit to sign the permit. Contrary to this, personnel were simply listed on six radiation work permits since the previous inspection.
- The Emergency Response Plan requires emergency evacuation drills be conducted, documented and reviewed by management semi-annually. Contrary to this, as of March 25, 1999, the last drill had been conducted in June, 1998, the last documented drill had been conducted April 29, 1996, and no record of drill reviews was found.

This is a Severity Level IV violation (Supplement VI).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance will be achieved is already adequately addressed on the docket in this inspection report. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011, within 30 days of the date of the letter transmitting this Notice of Violation.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

If you choose to respond, your response will be placed in the NRC Public Document Room (PDR). Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 21st day of April 1999