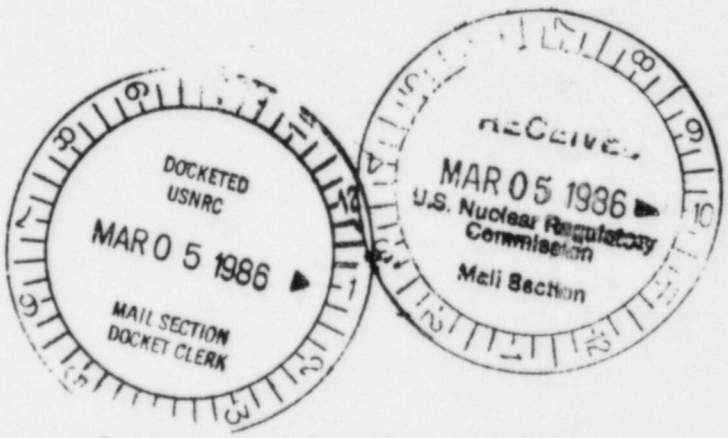
40-8714

Cleveland-Cliffs
Helping develop earth's resources to meet the world's needs.
Western Division

818 Taughenbaugh Boulevard
Rifle, Colorado 81650-2730
Phone: 303-625-2445

RETURN ORIGINAL TO PDR, HQ.

March 3, 1986



Mr. R. Dale Smith, Director
Uranium Recovery Field Office
Region IV
U.S. NUCLEAR REGULATORY COMMISSION
P.O. Box 25325
Denver, Colorado 80225

RE: SOURCE MATERIAL LICENSE NO. SUA 1352
DOCKET NO. 040-08714

Dear Mr. Smith:

As previously documented, pursuant to your letter dated December 13, 1985, Cleveland-Cliffs is proceeding with the preparation of an Environmental Report. Page 2 of your letter states that you would consider acceptable a proposed restoration alternative that has as its objective the following:

a. a minimum of six months of an NRC approved continuous restoration technique at an agreed to pumping rate; OR,

b. the equivalent treatment of four pore volumes by an NRC approved restoration technique within the area being restored. In this instance, the NRC would have to concur on the definition of a pore volume.

In a letter to you dated February 11, 1986, Cleveland-Cliffs requested your concurrence to a pumping rate of 45 gallons per minute and to pore volumes of 253,213 gallons for the A-1 Well Field and 3,303,204 gallons for the B Well Field. In a letter to Cleveland-Cliffs dated February 21, you concurred with the pumping rate and the definition of pore volumes.

Since the submittal of our letter to you dated February 11, 1986, Cleveland-Cliffs has contracted a group of technical experts (Drs. Charbeneau, Ledbetter, and Liljestrand of the University of Texas at Austin) to evaluate reasonable restoration alternatives and to identify environmental impacts. Based on the group's proposal, Cleveland-Cliffs hereby requests NRC approval of treatment of the groundwater by reverse osmosis with reinjection of the permeate as a "continuous restoration technique" pursuant to your letter dated December 13, 1985. Also, in a letter dated December 11, 1985, the Land Quality Division, Wyoming DEQ suggested that reverse osmosis should be further considered as a restoration alternative.

DESIGNATED ORIGINAL

Certified By Mary C. Hood

383

Based on your approval of the reverse osmosis restoration technique, the Environmental Report will evaluate a restoration alternative that has as its objective a minimum of six months of continuous restoration by reverse osmosis at a pumping rate of 45 gallons per minute; or, the treatment of four pore volumes (14,225,668 gallons) by reverse osmosis. The Environmental Report will also evaluate other reasonable restoration alternatives.

Cleveland-Cliffs requests NRC approval of the restoration technique as soon as practical. At your earliest convenience, please contact me personally if you should have any questions in regard to this letter.

Sincerely,

Truman E Louderback

Truman E. Louderback
Director of Environmental Affairs

TEL:lm
cc: R. J. Charbeneau
W. D. Robison
J. S. Christopher
G. D. Aho
C. K. Rowley
Project File-4670203