



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
URANIUM RECOVERY FIELD OFFICE
BOX 25325
DENVER, COLORADO 80225

JUN 29 1989

URFO:VRS
Docket No. 40-3453
SUA-917, Amendment No. 7
04003453890E

MEMORANDUM FOR: Docket File No. 40-3453

FROM: Van R. Scovill, Project Manager
Uranium Recovery Field Office, Region IV

SUBJECT: AMENDMENT NO. 7 TO SOURCE MATERIAL LICENSE SUA-917 FOR
ATLAS MINERALS MOAB MILL

Introduction

By letter dated March 22, 1989, Atlas Minerals (Atlas) requested an amendment to Source Material License SUA-917 to authorize reduced tailings and security inspection frequencies. The staff review of the licensee's submittal is discussed below.

Discussion

License Condition No. 11 of Source Material License SUA-917 requires, in part, that the licensee use source material in accordance with statements, representations and conditions contained in sections 5 and 7 of the licensee's renewal application dated May 31, 1984, as amended by letter dated June 5, 1985.

Section 5.4 of the application requires, in part, that the fenceline be patrolled at least once per shift. By their submittal dated March 22, 1989 the licensee requested a reduction in the fenceline patrol requirement to once per day.

Additionally, Section 7.14 of the application requires, in part, inspections every four hours of the entire tailings system, which includes the tailings

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pipng and the pond itself. By their submittal dated March 22, 1989 the licensee requested a reduction in the inspection of the tailings system to once per day.

Atlas believes that these changes are appropriate and will not result in any significant threat to human health and the environment based on the following mill conditions:

1. The mill has been shut down since January 1982.
2. Comments from Atlas' consultant engineer, responsible for annual impoundment inspections, indicate that since the facility is not operating and the free water surface on top of the impoundment and the phreatic surface within the impoundment are continually receding, that the impoundment is continually increasing its overall stability. Further, a daily inspection is in accordance with Criterion 8A of Appendix A to 10 CFR 40.
3. There is no packaged yellowcake stored onsite.
4. The inspections and surveys pertinent to the tailings facility required by License Condition Nos. 20, 30 and 33 will not be affected.

Atlas indicated via telecon on June 12, 1989 that the appropriate changes to the Emergency Procedures Manual, the Standby Procedures Manual, and inspection forms will be made within two weeks of the effective date of this amendment.

Conclusion

Based upon the staff review of Atlas' submittal dated March 22, 1989, the staff concludes that a reduction of the fenceline patrolling and the tailings system inspection frequencies is acceptable. The staff recommends that License Condition No. 53 be added to Source Material License SUA-917 to read as follows:

53. Notwithstanding conflicting statements in Sections 5.4 and 7.14 of the licensee's license renewal application, the licensee shall conduct inspections of the tailings system and the fenceline in accordance with their submittal dated March 22, 1989. Within two weeks of the effective date of this amendment, the licensee shall update the Emergency Procedures Manual, Standby Procedures Manual, and inspection forms and reports to reflect these changes.

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The issuance of this amendment was discussed via telecon between Mr. Richard Blubaugh, Atlas Regulatory Affairs Manager, and Pete Garcia of URFO on June 12, 1989.

Pete J. Garcia Jr.

for Van R. Scovill, Project Manager
Uranium Recovery Field Office
Region IV

Approved By:

Edward F. Hawkins
Edward F. Hawkins, Branch Chief
Uranium Recovery Field Office
Region IV

Case Closed: 04003453890E

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DATE:

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