



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

February 2, 2022

Sandra L. Ross, Site Manager  
Rio Algom Mining, LLC  
P.O. Box 218  
Grants, NM 87020

SUBJECT: LICENSE AMENDMENT NO. 63 - 2021 SURETY UPDATE, RIO ALGOM  
MINING, LLC, NEW MEXICO, SOURCE MATERIALS LICENSE SUA-1473  
(EPID NO. L-2021-LLA-0133)

Dear Sandra Ross:

By letters dated June 25, 2021, (U.S. Nuclear Regulatory Commission's [NRC's] Agencywide Documents Access and Management System [ADAMS] Accession No. [ML21181A169](#)) and September 28, 2012, (ADAMS Accession No. [ML12278A067](#)), Rio Algom Mining LLC (RAML) submitted its 2021 surety update to NRC staff for the Ambrosia Lake Facility (License No. SUA-1473). This surety update is an increase of \$5,974,746 from the 2020 annual surety estimate of \$13,958,078 (ADAMS Accession No. [ML20307A168](#)) to a total of \$19,932,824 and is primarily due to facility decommissioning activities (e.g., excavation of areas of surficial contamination), ground-water sampling, and radiological monitoring.

The NRC staff reviewed the financial assurance estimate update against Title 10 of the *Code of Federal Regulations* (10 CFR) 40, Appendix A II. Financial Criteria, Criterion 9 and Criterion 10, and determined that the decommissioning and reclamation activities are adequately described and reasonable cost estimates for each activity were provided. The staff determined that the changes are acceptable as documented in staff's Technical Evaluation Report (enclosed).

On November 17, 2021, RAML updated the value of its Irrevocable Letter of Credit to \$20,500,000.00 (ADAMS Accession No. [ML21343A035](#)). The updated Irrevocable Letter of Credit reflects an increase from \$4,500,000.00 from the amount available of \$16,000,000 in license condition 22, which will provide adequate funding for its 2021 annual surety estimate increase amount to \$19,932,824.

License Amendment No. 63 (enclosed) includes a revised License Condition 22 that reflects this updated surety amount of \$20,500,000.00. This licensing action meets the categorical exclusion provision for surety changes in 10 CFR Section 51.22(c)(10)(i). Therefore, no further environmental review is required for this action.

In accordance with 10 CFR Section 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's ADAMS. ADAMS is accessible from the NRC Web site at <https://www.nrc.gov/reading-rm/adams.html>.

If you have any questions, please contact Mr. Tom Lancaster by email at [Thomas.Lancaster@nrc.gov](mailto:Thomas.Lancaster@nrc.gov).

Sincerely,



Signed by Von Till, Randolph  
on 02/02/22

Bill Von Till, Branch Chief  
Uranium Recovery and Materials  
Decommissioning Branch  
Division of Decommissioning, Uranium Recovery,  
and Waste Program  
Office of Nuclear Material Safety  
and Safeguards

Docket No.: 40-8905  
License No.: SUA-1473

Enclosures:

1. Technical Evaluation Report
2. License Amendment No. 63

cc:

Amber Rheubottom, NMENV  
([Amber.Rheubottom@state.nm.us](mailto:Amber.Rheubottom@state.nm.us))

**(CLOSES EPID NO. L-2021-LLA-0133)**

Ambrosia Lake West 2021 Financial Assurance Update DATE February 2, 2022

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**ADAMS Accession No.: Ltr ML22024A444**

**\* via email**

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