

August 26, 2009

Mr. Tim Smith  
13 Bivouac Lane  
Victoria, Texas 77905

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION'S 10 CFR 150.15A(A)  
DETERMINATION FOR THE LAMPRECHT URANIUM IN SITU MINE

Dear Mr. Smith:

I am responding to your July 25, 2009, letter to Chairman Jaczko in which you requested his assistance to obtain the U.S. Nuclear Regulatory Commission's (NRC's) determination pursuant to 10 CFR 150.15a(a) that all applicable standards and requirements pertaining to reclamation of the groundwater at the former Lamprecht uranium in situ mine in Live Oak County, Texas have been met.

Although NRC is not the regulator of this site, the NRC staff is aware of the State of Texas (the State) regulatory activities for the former International Energy Corporation in situ uranium recovery operations that includes both the Lamprecht and Zamzow well field locations. We understand the State has revoked the license due to the licensee's lack of adequate action to reclaim the surface contamination at the properties to unrestricted use levels. The State regulators have been pursuing use of the financial surety funds to complete the reclamation of the properties. This activity is currently in litigation and will likely go to trial later this year. Our understanding is that upon a decision by the court on the use of the surety funds, it will take one to two years to complete the surface reclamation of these properties.

Although the groundwater has been restored at the properties and the groundwater permits revoked, the properties are still restricted due to surface contamination in the well field and processing plant areas. These areas must be reclaimed to the unrestricted use level prior to the State making the determination that all applicable State standards and requirements have been met and submitting their determination to the NRC.

The process for NRC to make the determination pursuant to 10 CFR 150.15a(a) is documented in the Office of Federal and State Materials and Environmental Management Programs (FSME) procedure SA-900, "Termination of Uranium Milling Licenses in Agreement States." This procedure can be found on our web site at:

<http://nrc-stp.ornl.gov/procedures/sa900.pdf>. The process requires the Agreement State (in this case the State of Texas) to complete its evaluation of the reclamation/decommissioning of the site and for the Agreement State to make a determination that all of the applicable State standards and requirements have been met. The Agreement State then submits this determination to NRC with supporting documentation as specified in the procedure. The NRC evaluates the Agreement State determination and either agrees or requests additional information of the State. If the NRC agrees with the determination made by the Agreement

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State, then the license can be terminated by the State and the site is released for unrestricted use.

If you have any questions on this letter, please contact me or Dennis Sollenberger at (301-415-2819) of my staff.

Sincerely,

George Pangburn for  
Charles L. Miller, Director **R/A**  
Office of Federal and State Materials  
and Environmental Management Programs

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