

August 22, 2011

Mr. Thomas E. Gieck
UMETCO Minerals Corporation
P.O. Box 1029
Grand Junction, CO 81502

SUBJECT: LICENSE AMENDMENT NO. 64 - APPROVAL OF EROSION PROTECTION
ENHANCEMENT DESIGN FOR UMETCO'S GAS HILLS RECLAMATION
PROJECT

Dear Mr. Gieck:

On December 21, 2010, Umetco Minerals Corporation (Umetco) submitted the Erosion Protection Enhancement Design Report for Umetco's Gas Hills Reclamation Project to the U.S. Nuclear Regulatory Commission (NRC) for review and approval (Agencywide Documents Access and Management System (ADAMS) Accession Number ML103640265). Based on the NRC staff's initial review of the Report (ML111101409) you provided additional information on the proposed erosion protection enhancements (ML11132A154) on May 10, 2011. On July 13, 2011, you requested latitude in the application of the repair methods proposed in your December 2010 submission (ML11196A143) and on July 18, 2011, you provided additional information regarding the cost estimate for this approach (ML11201A304).

The NRC staff has completed its review of Umetco's request, including Umetco's responses to the NRC staff's requests for additional information, and finds that it is acceptable. Based on this review, which is documented in the enclosed Technical Evaluation Report (TER), the NRC is issuing Amendment No. 64 to Source Materials License SUA-648 for Umetco's Gas Hills Reclamation Project. NRC staff will consider the revised surety separately.

An Environmental Assessment (EA) was performed for this action and can be found at ML112060216. A Notice was published in the *Federal Register* announcing the availability of the EA and the Finding of No Significant Impact on August 19, 2011.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice" 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 document system (ADAMS). ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams>.

T. E. Gieck

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If you have any questions concerning this letter or the staff's evaluation, please contact Dominick Orlando at 301-415-6749 or by email at Dominick.Orlando@nrc.gov

Sincerely,

/RA/

Keith I. McConnell, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Enclosures:

1. Amendment No. 64
2. Technical Evaluation Report

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| OFC | DWMEP | DWMEP | OGC | DWMEP | DWMEP |
| NAME | DOrlando | TRowe | BJones | LChang | KMcConnell |
| DATE | 7/27/11 | 7/27/11 | 8/10/11 | 8/22/11 | 8/22/11 |

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