

June 27, 2012

Mr. Steve Hatten
President
Lost Creek ISR, LLC
5880 Enterprise Drive, Suite 200
Casper, WY 82609

SUBJECT: REQUEST FOR ADDITIONAL INFORMATION –AMENDMENT APPLICATION
FOR INCLUSION OF YELLOWCAKE VACUUM DRYING – LOST CREEK ISR,
LLC'S LOST CREEK PROJECT, U.S. NUCLEAR REGULATORY COMMISSION
LICENSE SUA-1598, DOCKET NO. 40-9068 (TAC J00662)

Dear Mr. Hatten:

By letter dated January 6, 2012, Lost Creek ISR, LLC (LCI) submitted to the U.S. Nuclear Regulatory Commission (NRC) staff a request to amend LCI's NRC License SUA-1598 to include operating two yellowcake vacuum dryers within its processing plant and subsequent shipment of vacuum dried yellowcake. The NRC staff has completed a detailed review of LCI's amendment request and has identified deficiencies that require additional information to complete our review of the application. The request for additional information (RAI) is included in the enclosure. Within 30 days, please provide the information requested or a schedule for submitting the requested information. Please note that untimely responses to this RAI could delay issuance of the amendment to your license.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," 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 Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

S. Hatten

2

If you have any questions concerning this letter, please contact me, either by telephone at (301) 415-6142, or by e-mail at tanya.oxenberg@nrc.gov.

Sincerely,

/RA/

Tanya Palmateer Oxenberg, Ph.D.,
Project Manager
Uranium Recovery Licensing Branch
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No. 40-9068

Enclosure: RAI

cc:

John Cash, LCI
Charles Kelsey, LCI
Mark Newman, BLM
Melissa Bautz, WDEQ
John Corra, WDEQ

S. Hatten

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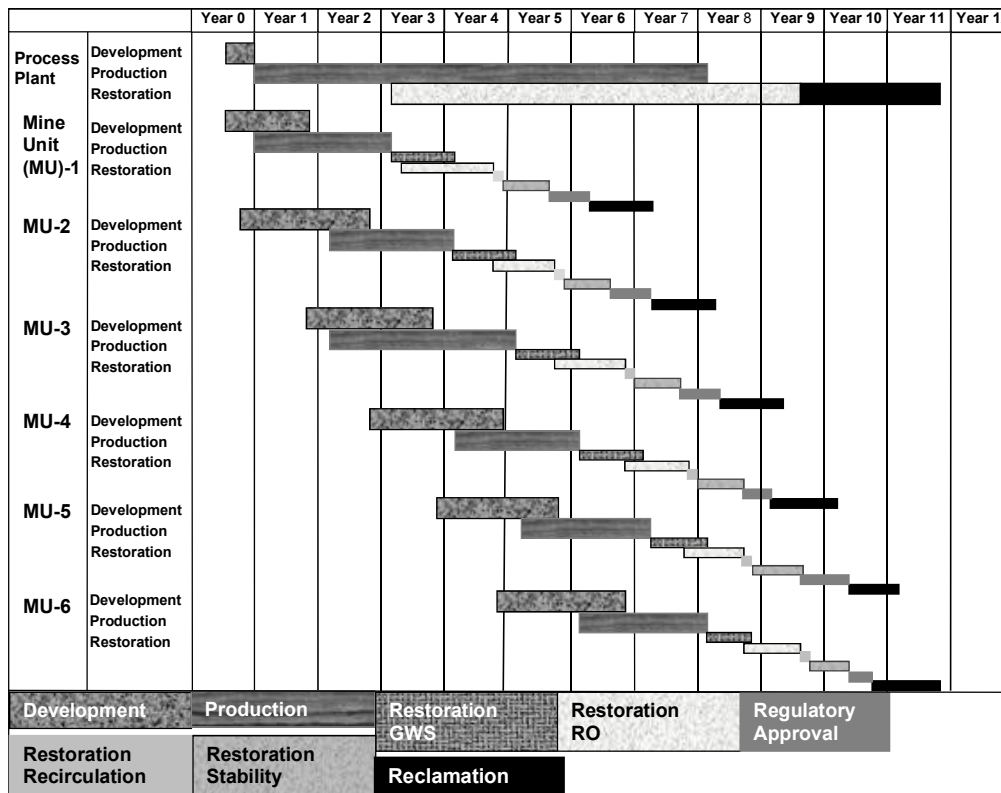
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**U.S. Nuclear Regulatory Commission (NRC) Request for Additional Information
Lost Creek ISR, LLC, (LCI) Lost Creek Project
Amendment to NRC Source Materials License SUA-1598**

By letter dated January 6, 2012 (ML120470353), Lost Creek ISR, LLC (LCI) submitted to the U.S. Nuclear Regulatory Commission (NRC) staff a request to amend LCI's NRC License SUA-1598 to operate two yellowcake vacuum dryers within its processing plant and subsequent shipment of vacuum dried yellowcake. The request included a Vacuum Dryer Supplement that described changes to sections in the Technical (TR) and Environmental Reports (ER). Also included in the supplement were revised TR Figures 1.5-2b and 5.7-1 and TR Plate 3.1-1, and a dryer flow diagram for TR Section 3.3. LCI provided clarifications regarding the amendment application in an email dated March 5, 2012 (ML120670150), that included a table describing non-radioactive emissions expected from the dryer (ML120670157) and TR Figure 4.1-3 describing the ventilation diagram of the processing plant (ML120670164). NRC staff completes its technical review of this request and offers the following request for additional information.

TR Section 1 Lost Creek Project Schedule

Is the schedule (Figure 1.7-2 of technical report) current? If not, please provide a revised schedule to ensure compliance with 10 CFR 40.32.



Enclosure

TR Section 3.0 Description of the Proposed Facility

The staff finds the following information is needed to support the environmental assessment (EA):

1. What other types of dryers were considered to be used in the processing plant?
2. Bag House Operation:
 - a. How much dust is expected to be collected?
 - b. How often will the bag filters be changed?
 - c. What will the disposition of the used bag filters be?
3. Air Quality Sampling and Monitoring:
 - a. Will there be any additional monitoring of air quality outside the processing plant?
 - b. If there is, what are the locations? (include a map)
 - c. What would be monitored, and how often would samples be taken?
4. Waste Water Disposal:
 - a. Drum wash down:
 - i. How often will this be done?
 - ii. How much water will be used?
 - iii. How will the wash down be collected?
 - iv. Will the wash down be filtered/treated?
 - v. Where will the wash down be disposed?
 - b. Condensate Tank:
 - i. Will there be any waste generated?
 - ii. How much/how often?
 - iii. How will it be collected, and where will it be disposed?

TR Section 3.3 Supplemental Dryer Flow Diagram

LCI did not number the diagram consistently as the other figures and plates in the TR and ER. Therefore, the staff requests that LCI label the diagram with the appropriate number (i.e., Figure 3.3-1) for easy identification.

TR Section 4.1.2.1 Particulates

The propane emissions table needs the following:

1. Title
2. Source

TR Section 4.1 Gas Emissions

Figure 4.1-1 shows 19 roof penetrations. In preparation of the EA, the staff finds that it is unclear if all 19 roof penetrations are from the propane heaters. Please provide clarification to the illustration.