

Leo Dubinski, Assistant Director for
Materials, Division of Compliance, AEC Hq.

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Original signed by
WILLIS B. JOHNSTON

AUG 9 1961

URANIUM MILL - PETROTOMICS COMPANY, CASPER, WYOMING

CO-ID:DIW

During a June inspection of another uranium mill, information was gathered to lead us to believe that a uranium ore processing mill was being constructed by the subject company in the Shirley Basin area in Wyoming.

During a July trip to Casper, a member of this staff was informed by the Wyoming State Health Department that they believed a mill was currently under construction a few miles southwest of Casper. In running down the lead, Mr. Kant found a uranium processing mill under construction approximately 68 miles southwest of Casper. Personnel at the construction site stated that the mill should be in production in the early Spring of 1962. Upon Mr. Kant's return, I contacted W. B. Carlson, Asst. Manager for Information, Grand Junction Operations Office, who replied that a contract had been signed by the Commission for the Petrotomics Company to produce uranium ore up to the period April 1, 1962, and to produce uranium concentrate during the period April 1, 1962 - December 31, 1966. Mr. Carlson also provided the names of the companies within the Petrotomics Company and the names of the project manager and the production manager. Copies of the above correspondence are attached.

If the Petrotomics Company has already been in contact with Licensing and Regulation concerning a license for the production of uranium concentrates, I would recommend no further action be taken. If, however, there has been no contact, I would recommend one of several courses of action be taken in the near future and prior to the time when the construction of the mill is completed. This office, at your request, will be glad to contact the Casper personnel to discuss with them the requirements for complying with 10 CFR 20, particularly with respect to dust control within the mill and liquid effluent problems or, if you deem it advisable, I would recommend that some contact be made by L&R with Petrotomics. However, L&R's alternative might be to approach the company through the Division of Raw Metals and/or the Grand Junction Operations Office so that the company might be made aware of construction criteria to enable them to meet the requirements of 10 CFR 20.

(Continued)

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Since construction has already been started, I would suggest that an early decision be made by Headquarters to permit contact with Petrotonics Company to familiarize them with the regulatory aspects of a uranium processing mill.

Enclosures

July 28, 1961 letter

August 4, 1961 letter