

October 18, 1996

Mr. Ron A. Juday
Petrotoomics Company
P.O. Box 8509
Shirley Basin, Wyoming 82615

SUBJECT: GROUNDWATER BACKGROUND EVALUATION AND CONCENTRATION LIMITS

Dear Mr. Juday:

This letter is to acknowledge receipt of the report entitled "Identification and Evaluation of Background Ground Water Monitoring Data and Proposed Concentration Limits for the Petrotoomics Company Tailings Area," transmitted by your letter dated September 20, 1996. You have requested approval of the proposed concentration limits for certain groundwater constituents as required by Condition 47E, and amendment of Condition 47B of Source Material License SUA-551 for uranium mill at Shirley Basin, Wyoming. Based on our initial review, it appears that you have provided sufficient information for the U.S. Nuclear Regulatory Commission staff to properly evaluate your request. During its detailed review, the NRC staff may request additional information, should it be needed to further technically justify your request.

The NRC staff proposes to complete a detailed review of your request by March 31, 1997. If the staff identifies a need for additional information in order to complete its review, you will be notified in writing and the completion date for the staff's review will be re-examined and revised appropriately.

If you have any questions regarding this letter or the NRC staff's review, you may contact NRC Project Manager, Mohammad Haque at (301) 415-6640.

Sincerely,
/s/ Daniel M. Gillen For J. Holonich
Joseph J. Holonich, Chief
Uranium Recovery Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Docket No. 40-6659
TAC No. L50929

cc: J. Hough, RCPD, WY
WDEQ-LQD
D. Finley, DEQ, WY

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