

October 18, 1996

Mr. Juan R. Velasquez
United Nuclear Corporation
1720 Louisiana NE, Suite 400
Albuquerque, New Mexico 87110

SUBJECT: REQUEST FOR LICENSE AMENDMENT TO REDUCE SURETY LETTER OF CREDIT

Dear Mr. Velasquez:

This letter is to acknowledge receipt of the amendment request from United Nuclear Corporation (UNC), dated September 13, 1996, to reduce the letter of credit required by License Condition 25 for UNC's Church Rock uranium mill and tailings site. The letter of credit, in favor of the U.S. Environmental Protection Agency (EPA), was initially established for the groundwater remediation program approved by the EPA, which became the groundwater corrective action program approved by the U.S. Nuclear Regulatory Commission. The letter of credit was incorporated into License SUA-1475 by Amendment No. 13 as part of the site reclamation surety required by 10 CFR Part 40, Appendix A, Criterion 9.

The NRC staff has determined that it is premature to reduce the letter of credit until the questions concerning the current groundwater corrective action program (CAP) are resolved and a new CAP is approved. At that time, UNC's request will be evaluated and an appropriate amount for the letter of credit established.

If you have any question regarding this letter please contact Ken Hooks, the NRC Project Manager for the Church Rock site, at (301) 415-7777.

Sincerely,

Original Signed By:]

Joseph J. Holonich, Chief
Uranium Recovery Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Docket No. 40-8907
License No. SUA-1475
cc: Shawn Ghose, EPA Region 6
Kerrie Neet, NMED
Diane Malone, NSP
Joe Virgona, DOE GJ

NRC FILE CENTER COPY

DISTRIBUTION : File Center NMSS r/f DWM r/f URB r/f
PUBLIC CCain, RIV JSurmeier MFederline CMWKA
DOCUMENT NAME: S:\DWM\URB\KRH\CHURCH.REC

OFC	URB		URB	E	URB		URB		
NAME	KHooks/dh		LHamdan		DGillen		JHolonich		
DATE	10/16/96	H	10/ /96	H	10/16/96		10/18/96		

OFFICIAL RECORD COPY

9610250281 961018
PDR ADDCK 04008907
C PDR

NUT 1/0