



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV

611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

October 28, 1996

Mr. Juan R. Velasquez, President
UNC Mining and Milling
1720 Louisiana Blvd., NE, Suite 400
Albuquerque New Mexico 87110

SUBJECT: NRC INSPECTION REPORT 40-8907/96-01

Dear Mr. Velasquez:

An NRC inspection was conducted October 7-8, 1996, at your former Lucky Mc Uranium Mill site located in McKinley County, New Mexico. The enclosed report presents the scope and results of that inspection.

The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress. The inspection disclosed that you are appropriately controlling activities in accordance with NRC license conditions and regulations.

No violations or deviations were identified; therefore, no response to this letter is required.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

Should you have any questions concerning this inspection, please contact Ms. Linda Mclean at (817) 860-8116 or Mr. Charles Cain at (817) 860-8186.

Sincerely,

Charles L. Cain

For: Ross A. Scarano, Director
Division of Nuclear Materials Safety

Docket No.: 40-8907
License No.: SUA-1475

Enclosure:
NRC Inspection Report
40-8907/96-01

9610310284 961028
PDR ADOCK 04008907
C PDR

cc w/enclosure:

Mr. Edward Morales
UNC Mining and Milling
P.O. Box 3077
Gallup, New Mexico 87305-3077

Mr. Chris Shuey
Southwest Research and
Information Center
P.O. Box 4524
Albuquerque, New Mexico 87106

Ms. Julie Curtiss
Navajo Superfund
P.O. Box 2946
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Mr. J. Virgona, Project Manager
U. S. Department of Energy
Grand Junction Project Office
P. O. Box 2567
6425 S. Highway 191
Grand Junction, CO 81502

New Mexico Radiation Control Program Director

bcc:

DMB - IE-07

L. J. Callan

J. J. Holonich, NMSS/DWM/HLUR (T 7 J9)

K. R. Hooks, NMSS/DWM/HLUR (T 7 J9)

J. D. Weiss, OC/LFDCB (T 9 E10)

F. A. Wenslawski, WCFO

D. B. Spitzberg

*C. L. Cain

*L. L. Howell

*M. L. McLean

R. J. Kirspel, OI

*NMI&FC/DB

*MIS System

*RIV File (5th Floor)

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