

September 24, 1996

410-9024

Mr. Harold R. Roberts, President
Energy Fuels Nuclear, Inc.
Three Park Central, Suite 900
1515 Arapahoe Street
Denver, CO 80202

SUBJECT: APPROVAL OF ANNUAL SURETY UPDATE - AMENDMENT 3 TO LICENSE SUA-1558

Dear Mr. Roberts:

The U.S. Nuclear Regulatory Commission staff has completed its review of Energy Fuels Nuclear, Inc.'s (EFN's) annual surety update for its possession only license at Reno Creek, WY as submitted in your letter of August 6, 1996. The review found the proposed surety increase of 3.6% (from \$137,911.80 to \$142,890.00) to be acceptable.

Therefore, pursuant to Title 10 of the Code of Federal Regulations, Part 40, Source Material License SUA-1558, License Condition 12.0 is amended to state that EFN's currently approved surety instrument "... shall be continuously maintained in an amount not less than \$142,890.00 ..." All other conditions of this license shall remain the same. An environmental review was not performed, since this action is categorically excluded under 10 CFR 51.22(c)(10), and an environmental report from the licensee is not required by 10 CFR 51.60(b)(2).

EFN's cover letter of August 6, 1996, transmitted documents submitted to, and received from, the State of Wyoming's Department of Environmental Quality between August 5, 1995, and December 12, 1995, relative to EFN's annual surety bond instrument. The surety arrangement, a general purpose rider to reclamation performance bond No. 610 190688 6, is dated December 12, 1995, and has been issued by the U.S. Fire Insurance Company in favor of the State of Wyoming in the amount of \$142,890.00 and covers the cost of resin disposal.

If you have any questions concerning this subject, please contact the NRC Project Manager, Mr. Harold E. Lefevre, at (301) 415-6678.

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

9609260150 960924
PDR ADOCK 04009024
C PDR

Enclosure: As stated

cc: G. Cash, WY DEQ
R. Chancellor, WY DEQ

NRC FILE CENTER COPY

DISTRIBUTION w/Encl.: File Center NMSS r/f URB r/f PUBLIC DRom
AGarcia MRodgers MWeber RTurtill CCain

w/o Encl.: JSu.meier

DOCUMENT NAME: S:\DWM\URB\HEL\EFNRENO\SURETY\AMEND3.LTR

| | | | | | | | |
|------|----------|----------|-----------|--|--|--|--|
| OFC | URB | URB | URB | | | | |
| NAME | HLefevre | DGillen | JHolonich | | | | |
| DATE | 09/18/96 | 09/23/96 | 09/23/96 | | | | |

OFFICIAL RECORD COPY

ACNW : Yes ☐ No ☒ X
AWEIGH : Yes ☐ No ☒ X Delete file after distribution: Yes ☐ No ☒ X

MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

| | | |
|--|----------------------------------|---|
| Licensee | | 3. License Number |
| 1. Energy Fuels Nuclear, Inc. | | SUA-1558, Amendment No. 3 |
| 2. Three Park Central, Suite 900 1515 Arapahoe Street Denver, CO 80202 | | 4. Expiration Date August 16, 2000 |
| | | 5. Docket or Reference No. [Applicable Amendment: 1] |
| 6. Byproduct, Source, and/or Special Nuclear Material | 7. Chemical and/or Physical Form | 40-9084 Maximum Amount that Licensee May Possess at Any One Time Under This License |
| Uranium and radium contaminated resin | Contaminated resin | 3500 ft ³ of contaminated resin |
| 9. For use in accordance with statements, representations, and conditions contained in the license application dated July 19, 1993, and by page changes submitted on: 05/12/95. [Applicable Amendment: 1] Whenever the word "will" is used in the above referenced sections, it shall denote a requirement. | | |
| 10. The authorized place of use shall be the licensee's Reno Creek site located in Campell County, Wyoming. | | |
| 11. The licensee shall conduct and maintain a record of radiation surveys and security inspections on a monthly frequency. The licensee may authorize designated individuals for periodic entry into the restricted area to characterize resin quality in selected containers. [Applicable Amendment: 1] | | |
| 12. The licensee shall maintain an NRC-approved surety arrangement, consistent with 10 CFR Part 40, Appendix A, Criterion 9, adequate to cover the estimated costs, if accomplished by a third party, for disposal of the resin. Annual updates to the surety amount, required by 10 CFR Part 40, Appendix A, Criterion 9, shall be provided to the NRC at least three months prior to August 16, 1994, and in each successive year. Financial surety coverage for the full amount of the NRC-approved decommissioning cost estimate shall not lapse for any time period prior to license termination. | | |

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

License Number

SUA-1558, Amendment No. 3

Docket or Reference Number

40-9024

Along with each proposed revision or annual update, the licensee shall submit supporting documentation showing a breakdown of the costs and the basis for the cost estimates with adjustments for inflation, maintenance of a minimum 15 percent contingency, changes in engineering plans, activities performed, and any other conditions affecting estimated costs for site closure. The licensee shall also provide the NRC with copies of surety-related correspondence submitted to the State, a copy of the State's surety review, and the final approved surety arrangement. The licensee must also ensure that the surety, where authorized to be held by the State, expressly identifies the NRC-related portion of the surety, and covers the cost of resin disposal.

The Energy Fuels Nuclear, Inc. currently approved surety, a reclamation performance bond No. 6101906886, issued by the U.S. Fire Insurance Company in favor of the State of Wyoming, shall be continuously maintained in an amount no less than \$142,890.00 for the purpose of complying with 10 CFR Part 40, Appendix A, Criterion 9, until a replacement is authorized by both the State and the NRC.

[Applicable Amendments: 1, 2, 3]

FOR THE NUCLEAR REGULATORY COMMISSION

Date: _____

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