

AMERICAN NUCLEAR CORPORATION

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November 18, 1996

Joseph J. Holonich, Chief
Uranium Recovery Branch
Division of Waste Management
Office of Nuclear Material Safety and Safeguards
Mail Stop T-7J9
11545 Rockville Pike
Rockville, Maryland 20852

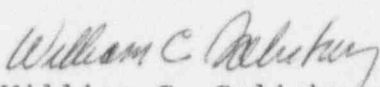
Re: Docket No. 40-4492
License No. SUA-667

Dear Mr. Holonich:

In compliance with the License conditions No. 29C, American Nuclear submits the 1996 Ground Water Corrective Action Program for Tailings Pond No. 1.

If you have any questions, please advise.

Sincerely,


William C. Salisbury
President

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AMERICAN NUCLEAR CORPORATION
GROUND WATER
CORRECTIVE ACTION PROGRAM - 1996 ANNUAL REPORT
November 18, 1996

American Nuclear Corporation (ANC) has prepared the following annual report for the groundwater corrective action program pertaining to Tailings Pond No. 1 (TP-1) as required by License Condition No. 29. C. of SUA No. 667.

The groundwater corrective action program consists of pumping well R-4 from May 1 through October 31 of each year with the collected water discharged to a nonponding evaporation system located on the surface of TP-1. The evaporation system consists of four (4) Beta Fog nozzles, sized for the flow rate of well R-4, that produce a fine mist. The quantity of nozzles used in the system is adjusted to compensate for well R-4 flow rate fluctuations in order to maintain continuous operation of the system without cycling. Three nozzles were used during the 1996 season, except for the month of October, when two nozzles were used. The system is inspected weekly for proper operation.

The system was put in operation on May 2, 1996. Except for some discharge line plugging problems during the first few days of operation, the recovery system was in continuous operation through September 27, when the system froze due to freezing temperatures at the site. The recovery system was restarted on September 30, 1996 and stayed in operation until October 16, when the system again froze. Due to continued freezing temperatures, the system was not restarted during the 1996 season. The system recovered 3.7 gallons per minute at start up. Within two weeks, the recovery rate had dropped to 1.3 gallons per minute. On the average, the system recovered 1.2 gallons of water per minute during the pumping season. A total of 316,000 gallons of water was recovered and evaporated during the 1996 season. The total estimated quantity of water recovered from the system to date is 124,622,000 gallons.

The historical and recent data generated through monitoring continues to demonstrate that no present hydraulic connection exists between the affected area of the upper Wind River formation and local surface water. No groundwater wells used for domestic or livestock purposes exists now or are likely to be installed in the upper Wind River formation in the future due to the poor recovery rates (recharges), unacceptable water quality, area demographics, and the depth, water quality, and water resource of the lower Wind River formation (i.e. availability of an alternate water resource). Pumping well R-4 as an approved corrective action, elimination of the source of contaminants, and the revisions to the approved reclamation plan have all contributed to the ALARA (as low as reasonably is achievable) demonstration.