

NOTICE OF VIOLATION

Energy Fuels Nuclear, Inc.
Denver, Colorado

Docket No. 40-8681
License No. SUA-1358

During a U.S. Nuclear Regulatory Commission staff review of the licensee's White Mesa docket file, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

License Condition No. 20 states, in part, that the revised annual surety shall "be in effect within 3 months of written NRC approval."

Contrary to the above, the licensee failed to submit a revised surety instrument within three months of the NRC's written approval, provided to the licensee by letter dated August 8, 1996. The licensee provided the NRC with an original copy of the revised instrument on November 29, 1996.

This is a Severity Level IV violation (Supplement VI).

Pursuant to the provisions of 10 CFR 2.201, Energy Fuels Nuclear, Inc., is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with copies to (1) the Director, Office of Enforcement, Washington, D.C. 20555, (2) the Regional Administrator, U.S. Nuclear Regulatory Commission, Region IV, Harris Tower, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011-8064, and (3) the Chief, Uranium Recovery Branch, Division of Waste Management, Office of Nuclear Material Safety and Safeguards, Washington, D.C. 20555, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. However, if personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withhold-

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ing (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790-(b) to support a request for withholding confidential commercial or financial information).

Dated at Rockville, Maryland
this 5th day of May 1997

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