



State of Utah

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Department of
Environmental Quality

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Executive Director

DIVISION OF RADIATION CONTROL
Rusty Lundberg
Director

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

DRC-2014-004489

July 23, 2014

David Frydenlund
Senior Vice President General Counsel and Corporate Secretary
Energy Fuels Resources (USA) Inc.
225 Union Boulevard, Suite 600
Lakewood, Colorado 80228

RE: Request to Cease Monthly Radon Flux Sampling Tailings Cell 2: Radioactive Material
License Number UT 1900479

Dear Mr. Frydenlund:

In a letter dated May 30, 2014, Energy Fuels Resources Inc., (EFRI) submitted the April 2014 Monthly radon -222 flux monitoring report to the Director of the Division of Air Quality. This report contained the measurement results and a request to cease monthly monitoring.

Before I respond to your request, I would like to clarify the regulatory status of Tailings Cell 2. Tailings Cell 2 is not in operation and is in closure. No additional radioactive materials of any sort or other waste have been added to the cell since 2008, and, with this letter I am formalizing that by ordering that no such materials may be added to the cell. The cell is currently undergoing dewatering in accordance with the approved reclamation plan, known as version 3.2b. The Licensee has requested approval of a revised reclamation plan (version 5.0, dated September 2011). The latter plan would not change the dewatering activities currently being undertaken, but would, among other things, change the design of the final cover for the cell. The Licensee will be required to implement whichever version of the closure plan is approved at the time of final closure.

In agreement with the Division of Air Quality, the Division of Radiation Control (DRC) has determined that the licensee can cease monthly monitoring of tailings cell 2. The determination is based on the fact that the monthly radon flux results over the last nine months have been lower than the 20 picocuries per square meter second (pCi/m²*sec) limit. Because Tailings Cell 2 is no longer in operation (receiving tailings), the Division of Air Quality and the Division of Radiation Control agree that Subpart W NESHAPs requirements (40 CFR Part 61) no longer apply;

however, at this phase of cell 2 closure activities, the requirements of 10 CFR Part 40, Appendix A, Criterion 6 do apply.

Since the MILDOS-Area Models that have been run to show compliance with dose limits for releases from the Mill were based on a limit of 20 picocuries per square meter second ($\text{pCi}/\text{m}^2 \cdot \text{sec}$), in order to ensure compliance with previously analyzed conditions, the DRC will require the licensee to continue to measure the radon flux in accordance with 40 CFR 61, Appendix B, Method 115, "Monitoring for Radon-222 Emissions" (2013). The measured radon flux for Cell 2 shall not exceed a value of 20 ($\text{pCi}/\text{m}^2 \cdot \text{sec}$) until a new MILDOS-Area Model to analyze a higher radon flux is completed and demonstrates compliance with dose limits based on the releases from the Mill. As required by Method 115, a minimum of 100 measurements are required and shall be performed on a semi-annual basis. DRC shall be notified 30 days prior to any emissions test so that DRC may, at its option, observe the test.

The measured results will be included in the Semi-Annual Effluent Monitoring Reports submitted to the DRC. The first semi-annual measurement will take place during the 2nd half of calendar year 2014 and the results will be included in the Semi-Annual Effluent Report for July through December 2014. Finally the DRC requests that this radon flux monitoring be included in the revised Environmental Monitoring Plan as per license condition 11.9 of your radioactive material license. Additionally, the radon flux results will be shared with the Division of Air Quality.

If you have any questions or require clarification concerning this letter, you may contact John Hultquist at (801) 536-4250.

Sincerely,



Rusty Lundberg, Director
Division of Radiation Control

RL/jh

cc: Kathy Weinel, EFRI
Angelique Diaz, EPA
Bryce Bird, DAQ