



State of Utah

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Department of  
Environmental Quality

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DIVISION OF RADIATION CONTROL  
Rusty Lundberg  
*Director*

April 15, 2014

DRC-2014-002801

Norman Schwab  
Vice President of Mining  
907 North Poplar, Ste. 260  
Casper, Wyoming 82601

RE: Radioactive Material License Number (RML) UT 0900480: Six Month RML Expiration Extension Request

Dear Mr. Schwab:

On January 14, 2014, Uranium One Americas, Inc. (Uranium One) and Black Range Mineral Utah, LLC (Black Range) submitted a request to transfer control of Radioactive Materials License (RML) No. UT0900480 and Groundwater Discharge Permit No. UGW170003 from Uranium One to Black Range. On March 19, 2014, Uranium One submitted a letter informing the DRC that the purchase agreement with Black Range was terminated and the Notice of Change of Control requested was rescinded.

On March 28, 2014, Uranium One submitted a request to extend the expiration date of the RML by 6 months. The current expiration date for the RML is April 30, 2014. Uranium One has indicated it needs the extension request because the purchase of the Shootaring Canyon Uranium Mill (Mill) by Black Range was terminated just prior to the end of the extension period. Uranium One was expecting the sale of the Mill to occur and is not prepared to submit a RML renewal application or decommissioning plan prior to the RML expiration date. In addition, Uranium One is also currently pursuing other options for selling the Mill.

Utah Administrative Code (UAC) R313-22-36(6) states "The Director may grant a request to extend the time periods established in Subsection R313-22-36(4) if the Director determines that this relief is not detrimental to the public health and safety and is otherwise in the public interest. The request must be submitted no later than 30 days before notification pursuant to Subsection R313-22-36(4). The schedule for decommissioning set forth in Subsection R313-22-36(4) may not commence until the Director has made a determination on the request."

Based on the current conditions at the Mill, and the unreasonable time constraint to submit a renewal application or decommissioning plan, the Director of the Utah Division of Radiation

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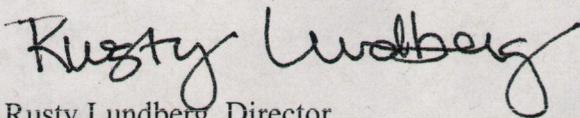
Control (Director) will grant a six month extension of RML UT 0900480 with a new expiration date of October 31, 2014. The Director has determined that granting this extension based on the Mill remaining in stand-by status. The stand-by status ensures that all engineering and administrative controls to manage the radiological and non-radiological hazards at the Mill are still in effect. There is not an undue hazard to public health and safety or the environment by granting this extension. The six month extension will allow Uranium One the necessary time to either:

1. Prepare a RML renewal application and submit 30 days prior to the expiration date. The renewal application shall include an environmental analysis as per R313-24-3 and an economic feasibility study of the Mill; or
2. Prepare a decommissioning plan and submit 30 days prior to the expiration date; or
3. Request a transfer of control to a new owner by August 15, 2014 so that the transfer of control can be approved before the expiration date.

Failure to submit a RML renewal application, a decommission plan or a request for a transfer of control within the appropriate timeline stated above may result in the issuance of an Order requiring the Mill to be decommissioned to unrestricted release as per 10 CFR 40 Appendix A Criterion 2 as incorporated by reference in R313-24-4. The justification of this order is as follows: (1) the licensee has been granted two renewal extensions; (2) the mill has been in standby status since 1982; (3) the licensee has not actively pursued operational status of the mill since becoming the owner back in 2007; and (4) upgrading the mill to operational status to "today's standards (e.g. Best Available Technology) would require substantial investment.

If you have any questions regarding this letter please contact Ryan Johnson or John Hultquist at 801-536-4250.

Sincerely,



Rusty Lundberg, Director

Cc. Scott Schierman, Radiation Safety Officer

RL:RJ/rj