



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Department of
Environmental Quality

Amanda Smith
Executive Director

DIVISION OF RADIATION CONTROL
Rusty Lundberg
Director

September 16, 2014

Donna Wichers, President
Uranium One Americas, Inc.
907 North Poplar, Suite 260
Casper, Wyoming 82601

Joshua Bleak, President
Anfield Resources Holding Corporation
3346 West Guadalupe Road
Apache Junction, Arizona 85120

RE: Radioactive Material License Number UT 0900480; Request for Additional Information for Transfer of Control from Uranium One Americas, Inc. to Anfield Resources Holding Corporation

Dear Ms. Wichers and Mr. Bleak:

On August 15, 2014, Uranium One Americas, Inc. (Uranium One) and Anfield Resources Holding Corporation (Anfield) submitted a request by electronic mail to transfer control of Radioactive Materials License (RML) No. UT0900480 and Groundwater Discharge Permit No. UGW170003 from Uranium One to Anfield Resources Holding Corporation.

The Utah Division of Radiation Control has reviewed the information provided in the above referenced submittal and has determined additional information is required. The review was completed using the United States Nuclear Regulatory Commission's NUREG 1556, Volume 15, "Consolidated Guidance about Materials Licenses: Guidance about Changes of Control and about Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses," as guidance. The requested information is stated below in bold. The result of the review of each item follows the stated information. If necessary, additional information is requested.

- 1. Provide a complete description of the transaction (transfer of stocks or assets, or merger). Indicate whether the name has changed and include the new name. Include the name and telephone number of a licensee contact who DRC may contact if more information is needed.**

Please confirm that the new name for the proposed licensee is Anfield Resources Holding Corporation. Additionally, please provide contact information including the name and telephone numbers of the person(s) responsible for the Mill oversight, engineering, groundwater compliance and Radiation Safety oversight. Also include the mailing address

and telephone number for the proposed licensee if these items are to be modified.

2. **Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for new personnel.**

License Condition 9.10 of UT 0900480 specifies that the CRSO shall have training as specified in the United States Regulatory Commission's Regulatory Guide 8.31 (Reg Guide 8.31). Since Ms. Garling served as the Radiation Safety Officer to support a Casper branch of a US NRC license, please provide the license number under which Ms. Garling was named as the RSO. Alternatively, if a license number cannot be provided, since the information provided did not specify experience directly related to working with radiation detection and measurement equipment, please provide information regarding this experience. In addition, if a license number cannot be provided, Reg Guide 8.31 states that the RSO should have at least 4 weeks of specialized classroom training in health physics specifically applicable to uranium recovery, please provide the name and an outline of the training course taken to meet specified four weeks training.

According to the information provided, Ms. Garling has not served as an RSO since 2008, therefore please provide information on the refresher training on uranium recovery (UR) facility health physics within the past two years. In accordance with Reg Guide 8.31, the RSO must have a thorough knowledge of the proper application and use of all health physics equipment used in the UR facility, the chemical and analytical procedures used for radiological sampling and monitoring, methodologies used to calculate personnel exposure to uranium and its daughters, and a thorough understanding of the UR process and equipment used in the facility and how the hazards are generated and controlled during the UR process. Although Ms. Garling may have this knowledge, it is not clearly stated in the resume and there are no course certificates and course outlines to verify that Ms. Garling has received the training required by License Condition 9.10.

The request for transfer of control shows that the CRSO and the ARSO will be consultants. Please note that hiring a Consultant Radiation Safety Officer (Consultant - RSO) does not relieve the licensee from the responsibility of maintaining compliance with DRC Rules, the conditions of the license, and all other requirements related to the operations conducted under the license (duties may be delegated, but responsibilities cannot be delegated). For facilities with Consultants serving as Radiation Safety Officers, the DRC requests additional information. Please provide the additional information requested below:

- A. Describe the control over the radiation safety program that will be delegated so that the Consultant - RSO will be able to exercise his/her authority over facility employees when confronted with radiation safety problems that require implementation of corrective actions.
- B. Describe the relationship that will exist between the Consultant - RSO and the licensee's institutional management regarding expenditure of funds to facilitate the

objectives of the licensee's radiation safety program and related regulatory requirements.

- C. Identify other commitments of the Consultant - RSO for other NRC or Agreement State licensed facilities (identify if the Consultant -RSO is currently named as RSOs on or provides consulting services for other radioactive material licensees), and describe how the Consultant - RSO will allocate time to permit the performance of the duties of the RSO as described in the regulations or license application. State the Consultant - RSO's minimum amount of onsite time (approximate hours per week).
- D. Appoint a licensee representative who will serve as the point of contact during the Consultant RSO's absence. It may be prudent to appoint a representative of executive management who speaks with authority when interacting with the regulatory agency, has the authority to act on the Consultant-RSO's findings, and is allowed to assist the Consultant - RSO who has limited authority.
- E. Describe the overall availability of the Consultant - RSO to respond to questions or operational issues that arise during the conduct of the licensee's radiation safety program and related regulatory requirements. What is the maximum amount of time that it will take the Consultant - RSO to arrive at the facility in the event of an emergency that requires his/her presence?

3. **Describe any changes in the organization, location, facilities, equipment or procedures that relate to the licensed program.**

At this time, you have committed to making no changes regarding the location, facilities, equipment or procedures that relate to the licensed program and you have provided information regarding changes that will be made to the organization. Since you plan to rebuild the mill to operational status in the future, please note that any changes to the facilities, equipment, or procedures (with the exception of changing the licensee's name, address, letterhead, etc. due to the transfer of control) related to the licensed program, or any additional personnel changes will need to be addressed within your application for a license renewal. No additional information regarding this item is necessary at this time.

4. **Describe the status of the surveillance program (surveys, wipe tests, quality control) at the present time and the expected status at the time that control is to be transferred.**

The information submitted in letter dated August 15, 2014 states that the proposed licensee has reviewed all required surveillance for the Shootaring Mill to their knowledge. Please have Uranium One confirm that all required surveillance records were given to Anfield for their review. Additionally, please confirm that on the date of transfer all surveillance will be current.

5. **Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee (proposed licensee). These records include documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.**

In the response to this item, under Item 1, "Records Transfer," it states that all records related to the Shootaring Mill and Mill Permits, including all documentation of surveys of ambient radiation levels and fixed and/or removable contamination will be delivered to Anfield at the closing of the Transaction. For clarification, please confirm that Uranium One and Anfield understand that this includes all records concerning the safe and effective decommissioning of the facility and the methods and sensitivities for all measurements necessary to document the safe and effective decommissioning of the facility.

Anfield has committed to following the present constraints, conditions, requirements, and commitments made by Uranium One, please note that this includes the currently approved Tailings Reclamation and Decommissioning Plan for the Shootaring Canyon facility. Additionally, Anfield has indicated that Anfield will assume full responsibility for the decommissioning of the Shootaring Mill and all associated facilities and equipment. Please note that this includes all areas used or contaminated by licensed operations under the Mill Permits.

6. **Confirm that the transferee will abide by all constraints, conditions, requirements and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.**

Anfield has agreed to abide by all constraints, conditions, requirements, and commitments made by Uranium One for the Mill Permits. Therefore, no additional information is necessary for this item.

7. **Surety requirements including financial surety arrangements**

Prior to final approval of the transferred Mill Permits, Anfield is required to provide an acceptable method to secure the financial resources that DRC has determined are necessary for the decommissioning of all locations affected by operations authorized by the Mill Permits.

The Mill Permits will not be signed until the financial surety mechanism has been reviewed and approved by the DRC. Therefore, Anfield will need to submit a financial mechanism that secures the funds necessary for decommissioning the Shootaring Mill. In accordance with R313-22-35(3)(g), all documents submitted by the licensee to the Director for the purpose of demonstrating compliance with financial assurance and recordkeeping requirements must meet the applicable criteria contained in the Nuclear Regulatory Commission's document NUREG-1757, Volume 3, "Consolidated NMSS Decommissioning Guidance: Financial Assurance, Recordkeeping, and Timeliness" (9/2003)

Upon receipt of the requested information above, the DRC will continue review of your application. If the Director concurs with the Mill Permits transfer of control from Uranium One to Anfield, Anfield will be responsible for submitting a license renewal application. In regards to the license renewal application, Uranium One was granted an extension to submit a license renewal application no later than October 31, 2014. In the letter dated August 15, 2014 (received by electronic mail on August 15, 2014), Anfield acknowledges the extension deadline given to Uranium One and states that the Proposed Transaction for transfer of control is not likely to be completed by this date. Therefore, Anfield has requested an additional extension of 12 months if the Director concurs with the Proposed Transaction. The license renewal application must be submitted, reviewed, and approved prior to Anfield changing the present facilities or equipment at the Shootaring Mill. Shootaring Mill is presently in standby status and will need to be modified to best available technology prior to beginning operations; therefore, an extension of 12 months for the submission of the license renewal application is reasonable for Anfield to determine necessary modifications to the facilities and equipment. Please note that this does not include the time necessary for the review and approval or denial of the license renewal application by the Director. Taking the review and approval of the license renewal application by the Director into consideration, it would benefit Anfield to submit a complete license renewal application as soon as possible after the Proposed Transaction is completed. The following license condition would be added to the license regarding the renewal application:

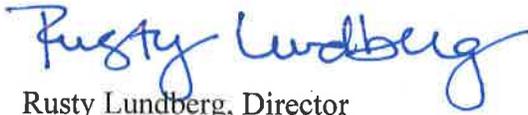
New License Condition 9.12:

- 9.12 Anfield Resources Holding Corporation must submit a complete license renewal application (renewal application) on or before October 31, 2015.
- A. The renewal application must include an operational feasibility study for the Shootaring Canyon Uranium Mill. The licensee shall use IAEA document "Guidebook on the development of projects for uranium mining and ore processing" (IAEA-TECDOC-595) as guidance when performing this analysis.
 - B. The renewal application shall have a complete description of all renovations and improvements to the Shootaring Canyon Mill necessary to return the Mill to operational status.
 - 1) All renovations and improvements must be constructed with Best Available Technology (BAT) and shall be approved by the Director prior to recommencing mill operations.
 - 2) Financial surety must be adjusted and approved accordingly for the renovations before operations commence, in accordance with 10 CFR 40 Appendix A Criterion 9(f).
 - C. The renewal application shall complete an environmental analysis in accordance with R313-24-3 to include all license activities to be conducted under Mill Permits.

Uranium One and Anfield Resources
September 16, 2014
Page 6

If you have any questions regarding this letter please contact Gwyn Galloway at 801-536-4250 or by electronic mail at ggalloway@utah.gov.

Sincerely,



Rusty Lundberg, Director

RL:GG/gg

Cc: Wells Parker, D O R S E Y & W H I T N E Y L L P