

United States Nuclear Regulatory Commission  
Office of Public Affairs  
Washington, DC 20555  
Phone 301-415-8200 Fax 301-415-2234  
Internet:opa@nrc.gov

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NRC ISSUES SAFETY EVALUATION REPORT  
ON NEW MEXICO URANIUM MINING PROJECT

The Nuclear Regulatory Commission has issued a safety evaluation report on the proposal by Hydro Resources, Inc. (HRI) to construct and operate the Crownpoint Uranium Solution Mining Project in New Mexico.

The project would involve the extraction of uranium at three sites, located near the towns of Church Rock and Crownpoint, in McKinley County northeast of Gallup. It would use a process known as in-situ leach uranium mining, or solution mining. In the in-situ mining process, wells are drilled into rock formations containing uranium ore. Water, with added oxygen and sodium bicarbonate, is injected down the wells to mobilize the uranium in the rock so that it can be pumped to the surface, where a processing plant separates the uranium from the solution. Once it is dried, the resulting uranium, known as "yellowcake," is packaged in drums and transported off-site to other processing plants for conversion into fuel for nuclear reactors.

The safety evaluation report concludes that, if certain specified conditions are met, issuance of a license to HRI will not be inimical to public health and safety or to the common and defense and security, and will meet the requirements of NRC regulations and the Atomic Energy Act.

Earlier the NRC, in cooperation with the U.S. Bureau of Land Management and the U.S. Bureau of Indian Affairs, published draft and final environmental impact statements on the proposed Crownpoint project. The NRC, also in cooperation with the other two federal agencies, held three public meetings in Crownpoint and Church Rock, New Mexico, on February 22 and 23, 1995.

The final statement concluded that, from an environmental perspective, the appropriate action is to issue the requested license and leases authorizing Hydro Resources to proceed with the project.

The publication of the safety evaluation report and the final environmental impact statement provides a basis for NRC to issue a license to HRI. The agency staff plans to issue the license 30 days after issuance of the safety evaluation report on December 4.

In response to a Federal Register notice in November 1994 offering an opportunity for a

public hearing on the proposed project, eight petitioners requested a hearing: Zuni Mountain Coalition, Bernadine Martin, Water Information Network, Dine' CARE, Southwest Research and Information Center, Mervyn Tilden, Grace and Marilyn Sam, and Eastern Navaho Dine' Against Uranium Mining, Inc.

An NRC administrative law judge, appointed to rule on the petitions, has held a decision on a hearing in abeyance until the NRC staff completed its review of HRI's license application, issued the final environmental impact statement and safety evaluation report, and decided whether it supported granting or denying the license application. The judge determined that holding the proceeding in abeyance would remove any possibility that issues developed on the basis of an incomplete hearing file would have to be relitigated as the hearing file was updated or that resources would be unnecessarily expended if the license application was denied.

Under Part 2 of the Commission's regulations, the filing or granting of a request for a hearing or a petition to intervene need not delay NRC staff action regarding an application for a licensing action for a facility of this type.

Copies of the safety evaluation report may be obtained by writing to the NRC Publications Section, Attention: Superintendent of Documents, U.S. Government Printing Office, P.O. Box 37082, Washington, DC 20013-7082. A copy will also be available for copying at the NRC Public Document Room, 2120 L Street, N.W., Washington, DC.

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