November 28, 2005

MEMORANDUM TO: Luis A. Reves

Executive Director for Operations

FROM: Annette L. Vietti-Cook, Secretary /RA/

SUBJECT: STAFF REQUIREMENTS - SECY-05-0200 - EFFORTS BY

WESTERN NUCLEAR, INC., TO ACQUIRE OFF-SITE

PROPERTIES IN CONJUNCTION WITH DECOMMISSIONING

ITS URANIUM RECOVERY SITE AND THE NEED FOR

INSTITUTIONAL CONTROLS

The Commission has approved the staff's recommendation to proceed with Option 2 and agrees that Western Nuclear Inc., (WNI) has made a good faith effort to acquire all of the offsite properties. Under Option 2, WNI would be required to make one final offer to purchase the property or real estate rights immediately before site transfer and, if unsuccessful, would include funds equivalent to the final offer in its long-term surveillance payment. In addition, with staff review and approval, WNI would relocate offsite monitoring wells, redefine the long-term care boundary to include all wells currently located offsite, or provide for institutional controls to provide Department of Energy access to the wells and enforce its restrictions.

In addition to the actions described in Option 2, the staff should immediately inform the owners of the remaining Red Mule property of the Commission's decision.

cc: Chairman Diaz

Commissioner McGaffigan Commissioner Merrifield Commissioner Jaczko Commissioner Lyons

OGC CFO OCA

Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)

PDR