UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

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| In the matter of | ) | |
| | ) | |
| POWERTECH (USA) INC. | ) | Docket No. 40-9075-MLA |
| | ) | ASLBP No. 10-898-02-MLA-BD01 |
| (Dewey-Burdock In Situ Uranium | ) | |
| Recovery Facility) | ) | November 21, 2014 |

**WRITTEN SUPPLEMENTAL TESTIMONY OF DR. HANNAN LAGARRY**

I, Dr. Hannan LaGarry, hereby declare as follows:

1. I am an expert in the above-captioned proceeding; my testimony, CV, and area of expertise are already in the record. To summarize, I am a stratigraphic mapper and full-time professor at Oglala Lakota College in Kyle, South Dakota. In preparing this declaration, I relied on the expertise gained through my training and experience in reviewing and interpreting borehole logs and other geologic data to create and review narratives, representations, and maps of subsurface geology and hydrogeology.

2. My testimony herein is based on my review of Powertech's recently disclosed borehole logs, maps, and other data. My testimony is also based on my review of the testimony and exhibits submitted by both NRC Staff and Powertech to the Nuclear Regulatory Commission Atomic Safety and Licensing Board, and my expert opinions offered before and during the hearing in Rapid City, South Dakota.

3. On November 12, 14, and 15, 2014 myself and 3 student assistants continued to review drillers' notes and borehole logs prepared by the Tennessee Valley Authority and recently disclosed by Powertech. This review was conducted at the Powertech offices in Edgemont, South Dakota.

   The available data consists of paper files contained in 28 bankers' boxes, 5 file cabinets, and 31 sets of mini logs (reduced to about 1/10$^{th}$ of the full-sized logs). Based on records I reviewed during my initial visit to the Powertech offices on September 14-16, 2014 these boxes, cabinets, and mini logs contain ***at least***:

   7515 total borehole logs
   7454 known borehole logs prior to acquisition of the recently described data
   3920 borehole logs owned prior to acquisition of the recently disclosed data
   3075 digitized data logs

These totals may underreport the number of logs made available, as I was not able to confirm whether my count was inclusive of all logs made available. Our understanding was that the newly disclosed borehole logs numbered over 4,000 data sets.

In total, my assistants and I were able to review drillers' notes from 4,177 boreholes (56% of the 7515 listed above) in 2.5 bankers' boxes, with at least 2.5 bankers' boxes of similar records remaining unexamined. We also examined 488 full-sized (in 3 boxes) and 1774 "mini" resistivity and gamma log pairs (30% of the 7515 listed above), with at least 6 bankers' boxes and 5 file cabinets of similar records remaining unexamined. The number of notes and logs examined was likely 5% fewer than the total number of records reviewed because some logs and notes were discovered to be moved or missing (see below). Also, there is overlap between the drillers' notes and the "mini" borehole logs reviewed. The "mini" logs, although briefly reviewed, did not contribute to the observations listed below.

My review confirmed my previous testimony that the raw data was not presented by modern modeling I would expect to find in such data compilations. Because of the limited time available and the lack of modelling, we did not attempt to reconstruct the geology of the proposed license area. Rather, we focused on the first-hand accounts of the geology of the site and the drilling conditions recorded by the geologists logging the wells. Based on our review of the data, we documented the following unique instances:

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| 140 | open, uncased holes |
| 16 | previously cased, redrilled open holes |
| 4 | records of artesian water |
| 13 | records of holes plugged with wooden fenceposts |
| 6 | records of holes plugged with broken steel |
| 12 | records of faults within or beside drilled holes |
| 1 | drawing of 2 faults and a sink hole within a drilled transect |
| 7 | notations "do not record this value on drill hole maps" |
| 2 | notations "do not return this to landowner" |
| 63 | redacted borehole logs |

Many notes contained references to water at various levels and poor, muddy, or destroyed samples. We also found that, in the data sets we reviewed, blocks of records had been moved or were missing.

4. Based on the observations noted above, I offer the following expert opinions:

**Sample size**

We examined drillers' notes from 4,177 boreholes, which is at least 56% of the available data. In my expert opinion, while this sample likely underrepresents the total number of features listed above, it is sufficiently large to characterize the data and to reasonably reflect the geological conditions in the licensed area. In contrast, the NRC review of 34 boreholes

constitutes less than 1% of the available data, grossly misrepresents the sample, and is not scientifically valid or useful in any meaningful way.

**Open, uncased holes, including redrilled open holes**
**(Exhibit SNT25)**
Casing of boreholes prevents the unwanted migration, transfer, and cross-contamination of water within a borehole. Uncased holes allow unrestricted communication between water-bearing strata at the site. Each uncased hole is a breach of the confining layers assumed to restrict the movement of mining fluids and contaminants. Redrilling of previously cased holes destroys the pre-existing casing and returns the borehole to the open, uncased condition. In my expert opinion, while it is possible that confinement may yet exist in undrilled areas, there is no reasonable expectation that confinement remains in drilled areas.

**Artesian water**
**(Exhibits TRT44, ELT4)**
Artesian water is water that flows under pressure exerted by connected waters at higher elevations. The presence of artesian water in the licensed area clearly demonstrates such connections, and that there is communication of water between the aquifers onsite and offsite. Artesian flow allows the rapid transfer of water along the subsurface conduits through which it flows, and greatly increases the likelihood of large amounts of highly contaminated subsurface water reaching the surface and contaminating it. In my expert opinion, artesian flow demonstrates a lack of containment at the site and poses a significant risk of unexpected, serious contamination of the Cheyenne River and its tributaries.

**Plugged holes**
Typically, boreholes are plugged with concrete. Plugs made of wood rot and disappear. Plugs made of ferrous metals, including steel, rust and disappear. It is my expert opinion that, for purposes of determining aquifer isolation, boreholes plugged in such a way should be considered open, uncased boreholes.

**Faults and sinkholes**
**(Exhibits DS178 back side, DS392, IHK2, IHM32, IHM62, TRR17, TRT16, FBM95)**
During hearings before the ASLB in August of 2014, Powertech repeatedly asserted that faults and sinkholes were not present in the license area, and that the license was somehow unique in that regard. In my previous testimony, I offered the expert opinion that faults were almost certainly present, and the license area was most likely crossed by numerous faults. The observations I document herein demonstrate that my previous expert testimony was correct, and there are numerous faults present in the licensed area. Likewise, the drillers' notes document a sinkhole along a drilled transect associated with two closely spaced faults also intersecting the drilled transect. Sinkholes typically form along faults, as the fault allows the initial penetration of acidic surface waters, which then dissolve a conduit through the rock which eventually forma a cave that subsequently collapses to for the sinkhole.

**Suppression and redaction of data**
**(Exhibit TRJ111)**
Notations in the drillers' notes to withhold data imply that there was an attempt to deceive somebody about the character of particular boreholes. The possible motivation for withholding the data was not clear from our limited review in these instances. More troubling is the deliberate masking (redaction) of borehole log data. This information may not be recoverable without additional drilling adjacent to the original borehole, and is clear evidence that information was withheld for some reason. As in the previously mentioned withholding of data, what this is and why it was withheld cannot be determined. A competent and complete scientific review upon which a determination could be based that containment of mining solution can be achieved at the Dewey-Burdock property would account for this missing data.

**Water in boreholes**
The presence of water at various levels in the drill holes suggests that there are multiple aquifers present at the site, and in the case of uncased holes, open communication and unrestricted flow between water-bearing strata at the site.

**Poor, muddy, and destroyed samples**
Problems with samples can bias rock descriptions and create circumstances in which the confining units would be misidentified, leading to miscorrelations of strata and confining layers considered present when in fact they are not. In order to determine if miscorrelation or false identifications have occurred would require detailed redescription of the available data. In my expert opinion, conclusions based on such samples, such as the presence or absence of a confining layer, should remain tentative at best.

**Moved or missing data**
The amount of moved or missing data and its significance is difficult to ascertain from our brief review. It may have been extracted from the set it is part of and relocated to another box, withheld, or destroyed. Only a thorough review and inventory can determine the disposition of the missing data. A review of this data is necessary to form concrete conclusions as to the confining properties of the geological strata.

5. In conclusion, the numerous records of open holes, artesian water, faults, and sinkholes. My prior testimony and opinions regarding Contentions 2 and 3 are supported by the observations recounted here.

6. It is my further expert opinion that NRC-directed "spot check" of 34 borehole logs from somewhere between 1750 and 6000 available borehole logs does not provide a scientifically recognized analysis that can support any hydrogeological conclusion about the project area. In my professional experience, there are numerous methodologies for analyzing the raw data contained in borehole logs. There are also numerous methodologies for presenting the results of the analysis of the raw data. Modern methods typically result in GIS/three-dimensional visualization and modeling of systems or similar computer modelling based on the raw data

in borehole logs. A copy of the website is attached to confirm the widespread and accepted use of these methodologies within the profession.

7. A "spot check" of borehole logs is not proper where analysis has not been carried out and recorded by GIS/three-dimensional visualization and modeling or similar technique. The NRC Staff testimony indicates that Powertech has not conducted the necessary mapping of available data. In such a circumstance, NRC Staff's conclusions are not reliable where NRC Staff accepts assertions of scientific fact made by Powertech that are not supported by accepted methodologies used to review data in borehole logs.

8. The NRC Staff testimony makes no mention of the information contained in the drillers' notes. Drillers' notes are an important source of interpretive information, often revealing information not disclosed by sliding logs. For example, drillers' notes can reveal the location of caves, artesian water, and the intermittent absence of confining layers. Although my review is not complete, the drillers' notes I have reviewed do contain this type of information.

9. The NRC "spot check" of 34 data points does not provide a statistically reliable testimony or basis for any conclusions regarding confinement or hydrology. I teach various math and statistics courses at Oglala Lakota College. Multivariate statistics is one of the formal research tools required for my PhD in Geology from the University of Nebraska-Lincoln. I am charged with review of research students at OLC who frequently apply statistical methods in their capstone research sequence required for their BS in Natural Science. NRC Staff's "random" analysis lacks the basic safeguards applicable to those who would rely on statistical methods.

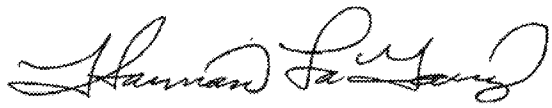
10. The minimum number of data points for a statistically valid and meaningful sample is generally 10%. In the Powertech instance the minimum acceptable sample size would be a randomly selected sample of at least 175 borehole logs. Based on the recent disclosure of over 4,000 previously withheld borehole logs, the appropriate sample would be 10% of the entire set, or about 575+ borehole logs checked. NRC Staff presents no basis for its so-called "random" selection. Without such information, professionals in my field cannot accept such assertions where it is possible that the limited data set resulted in poor methodology that is the hallmark of modern junk science. Having examined only 37 data points out of thousands available, NRC would have failed my Math 123 Introduction to Statistics class. None of my student researchers would be allowed to publish or present their research findings had they made such a fundamental error.

11. In my experience and training, NRC Staff's methodology is fundamentally flawed and the testimony based on the NRC Staff's review cannot be relied upon for any legitimate scientific purpose.

12. Although I relied on student assistants as appropriate, the testimony and opinion provided herein are based on my direct professional review and personal knowledge. Any errors or misinterpretations of data herein are exclusively my own.

*I declare under penalty of perjury that the foregoing is true and correct of my own knowledge. Executed in accord with 10 CFR 2.304(d).*

Executed in Chadron, Nebraska on November 21, 2014



Hannan E. LaGarry, Ph.D.